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PROPERTIES



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REWARD

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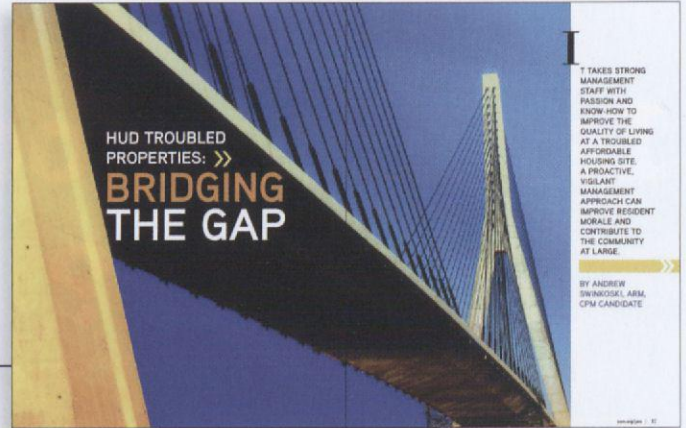


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HUD TROUBLED PROPERTIES: BRIDGING THE GAP

by Andrew Swinkoski, ARM, CPM Candidate



HUD TROUBLED PROPERTIES: >> BRIDGING THE GAP

IT TAKES STRONG MANAGEMENT STAFF WITH PASSION AND KNOW-HOW TO IMPROVE THE QUALITY OF LIVING AT A TROUBLED AFFORDABLE HOUSING SITE. A PROACTIVE, VIGILANT MANAGEMENT APPROACH CAN IMPROVE RESIDENT MOBILITY AND CONTRIBUTE TO THE COMMUNITY AT LARGE.

BY ANDREW SWINKOSKI, ARM, CPM CANDIDATE

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TRENDS IN APARTMENT REVENUE MANAGEMENT

by Dharmendra Sawh

Trends in Apartment Revenue Management

As the industry continues to evolve, apartment revenue management is becoming a critical component of a property's success. This article explores the latest trends in the field, including the use of technology and data analytics to optimize pricing and occupancy. It also discusses the importance of maintaining a strong relationship with tenants and the role of property management in ensuring a positive tenant experience.

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by Nancye J. Kirk



Creating a Crime-Free Property

BY NANCY J. KIRK

"CRIMINALS WILL BREAK DOWN EVERYTHING YOU'VE BEEN HIRED TO DO. THEY WILL DESTROY YOUR PROPERTY. THEY WILL DESTROY YOUR REPUTATION. THEY WILL DESTROY THE SURROUNDING NEIGHBORHOOD. AND IT CAN TAKE MONTHS—IF NOT YEARS—TO GET THAT REPUTATION BACK."

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RISK AND REWARD

by Kristin Gunderson Hunt



RISK AND REWARD

THE RISK TO FALL IS GREAT. UNUSUAL REAL ESTATE INVESTORS IN RECENT YEARS HAS FINANCED REAL ESTATE OWNERS AND MANAGERS TO CONSIDER NEW IDEAS FOR THEIR PROPERTIES. SOME OF THEM INVOLVE TAKING ADDITIONAL RISKS.

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JPM®

JAN.FEB 2012
VOL. 77, NO. 1

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JPM®, *Journal of Property Management* (JPM® ISSN 0022-3905) is published bi-monthly by the Institute of Real Estate Management, 430 N. Michigan Ave., Chicago, IL 60611. Internet: www.irem.org. This publication is provided as a medium for the expression of individual opinion concerning management practices and procedures. The articles and advertisements printed herein do not necessarily represent the endorsement of the Institute of Real Estate Management or of the majority of its members excepting such statements that are so designated. The editors exercise only a general supervision of the material and assume no responsibility for claims made in advertisements or for opinions and statements expressed in articles. IREM®, CPM®, AMO®, ARM®, CERTIFIED PROPERTY MANAGER®, ACCREDITED MANAGEMENT ORGANIZATION®, ACCREDITED RESIDENTIAL MANAGER® and JPM® are federally registered marks of the Institute of Real Estate Management.

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Postmaster: send address changes to JPM®, *Journal of Property Management*, P.O. Box 109025. Printed in U.S.A.

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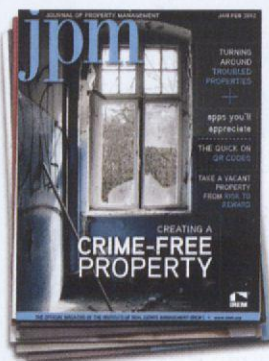
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We Want to Hear From YOU!

- WHAT DO YOU THINK ABOUT THIS ISSUE?
- WHAT'S YOUR FAVORITE SECTION?
- HAVE A STORY TO TELL?

IF SO, JPM® WANTS TO HEAR FROM YOU!



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MTOSCAS@IREM.ORG

PRESIDENT'S NOTES

JAMES A. EVANS, CPM®,
(PRESIDENT@IREM.ORG)
IREM 2012 PRESIDENT, IS
THE SENIOR EXECUTIVE
WITH TWO GRAND BLANC,
MICH.-AREA COMPANIES.
HE IS PRESIDENT AND
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INC., REALTORS, AMO®,
AND PRESIDENT AND CEO
OF KEB INVESTMENTS.

PHOTOGRAPH © ALEX LEVIN/IREM



MOMENT OF TRUTH

It's a fresh year and a fresh take on *JPM*®. This issue—specifically, the raw, grittiness of this issue's cover—represents the “moment of truth” we have collectively experienced as real estate managers. It is a nod to the strength and power we must embody to be successful in this profession. More and more of us are taking over troubled properties or at least cutting expenses while continuing to protect the properties we manage against crime and vandalism. The cover depicts a reality that each of us has likely experienced in some form or another, one that forces us to adapt, change and innovate—all while staying strong and maintaining solid relationships.

■ Nothing is more damaging to a property—and a property's reputation—than criminal activity. And no property is secure without a

crime-free plan. Start the New Year off right by investigating all of the ways to create a “Crime-Free Property” (p. 28).

■ Typically, during high school basketball practices, coaches will rotate players' positions so that each team member gets to experience every position on the team—your management staff should be no different. Every function and relationship on your property is interrelated; spend some time “Walking in Work Boots” (p. 22) and develop a winning team.

■ With more and more practitioners taking over troubled assets, it becomes increasingly difficult to communicate to your tenants that they are valuable—particularly when property operations, services and staff have been reduced. Tenants may feel angry, abandoned and mistreated. Learn tricks to keep tenants in place at troubled properties—and even renew their leases—in an excerpt from a chapter on “Residential and Commercial Tenant Retention,” from the new IREM Key Report, *Troubled Properties* (p. 54).

This year, it is my honor and privilege to embark on a dynamic and exciting journey with you as we face our challenges with determination, knowledge and pride. ■



top

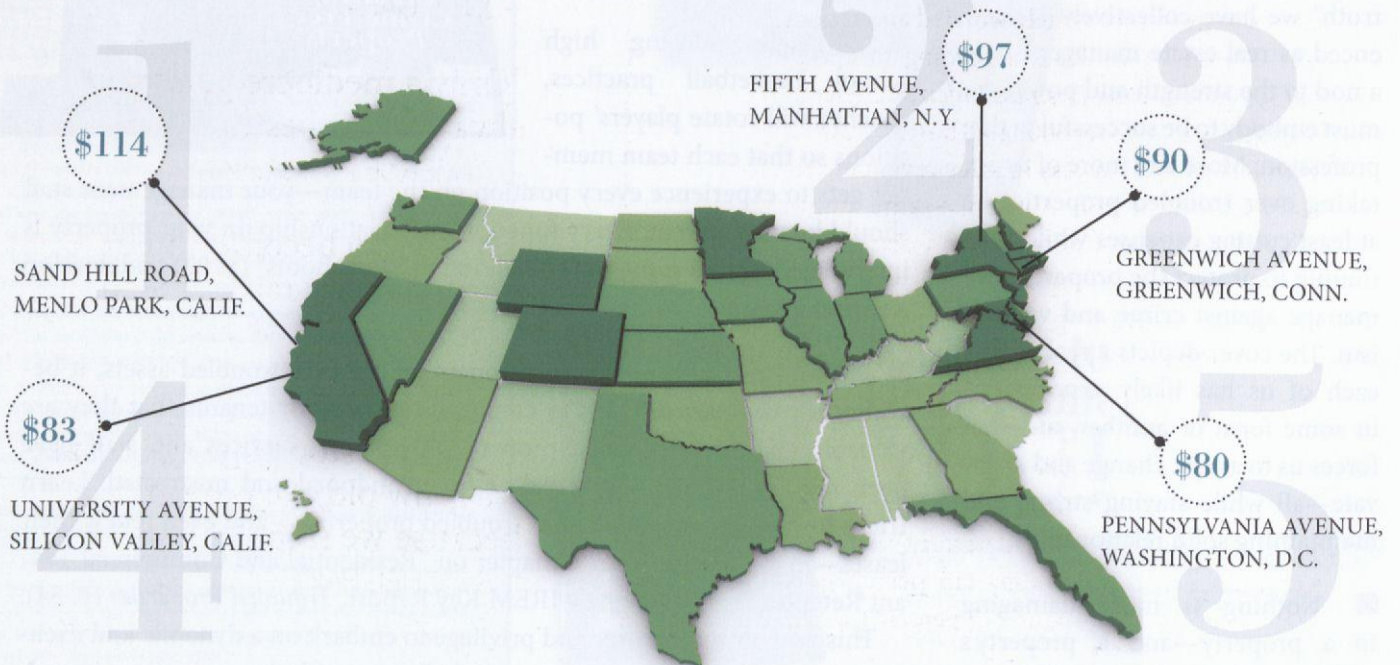
MOST EXPENSIVE STREETS IN THE U.S.

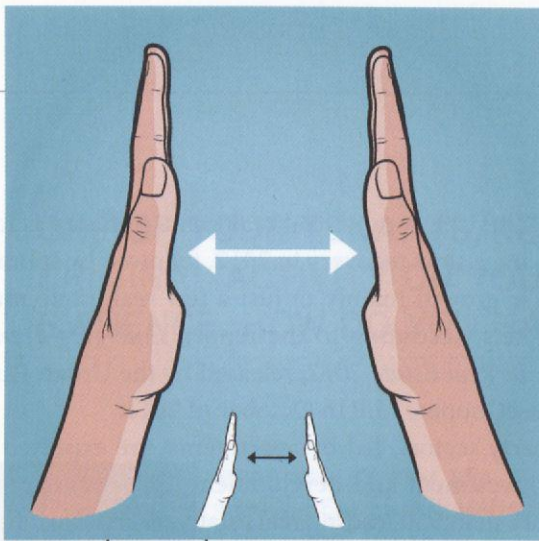
The five most expensive streets for office space in North America are concentrated in California and the East Coast, according to a recent analysis of 40 office markets across North America by Jones Lang LaSalle. The top five streets experienced rental rate increases of more than 20 percent.

“Rents for office space in these streets were almost 90 percent

higher than the average rents in the same metropolitan area,” according to John Sikaitis, senior vice president of research at Jones Lang LaSalle, in a news release. “Location is everything in real estate and this study proves it. Despite economic conditions, demand for these prime and often prestigious addresses continues to be high.” ■

BY DOLLARS PER SQUARE FOOT





BIG

SMALL

BUSINESS OWNERS

BUSINESS CONCERNS

One in three small business owners say they are exceedingly or moderately worried about going out of business in 2012, according to a Wells Fargo/Gallup *Small Business Index* poll released last October. Just over 600 small business owners with \$20 million or less in sales revenues were surveyed for the poll. About the same number of small business owners are also worried about not being able to compete with large or global competitors, not being able to hire the number of employees they need and not being able to pay their employees. Thirty percent worry they will have to reduce their number of employees, according to Gallup information. Respondents also said their top concerns are complying with government regulations (22 percent); consumer confidence in the economy (15 percent); and lack of consumer demand (12 percent). ■

SOUNDBITES

“Even if you’re on the right track, you’ll get run over if you just sit there.”

—WILL ROGERS

“Always forgive your enemies; nothing annoys them so much.”

—OSCAR WILDE

“The real voyage of discovery consists not in seeking new lands but seeing with new eyes.”

—MARCEL PROUST

“Always be a first-rate version of yourself, instead of a second-rate version of somebody else.”

—JUDY GARLAND

“Only a mediocre person is always at his best.”

—SOMERSET MAUGHAM

“Try not to become a man of success but rather try to become a man of value.”

—ALBERT EINSTEIN

“We don’t stop playing because we grow old, we grow old because we stop playing.”

—SACHEL PAIGE

LIMITED GAINS, LIMITED MARKETS



READ MORE ABOUT THE HIGH-TECH INDUSTRY'S INFLUENCE ON WESTERN COMMERCIAL REAL ESTATE MARKETS, IN **NORTHWEST TECH**, ON PAGE 36.

The U.S. commercial real estate industry is facing a slow recovery in 2012, followed by sporadic growth mainly in just a few real estate markets, according to the report, *Emerging Trends In Real Estate 2012*, released by the Urban Land

Institute and PricewaterhouseCoopers LLP in October of 2011.

However, all major property sectors, led by apartments, are expected to see at least some gains in investment and development opportunities, according to the survey of more than 950 leading real estate experts, including investors, developers, property company representatives, lenders, brokers and consultants.

While apartments are the major contender, other sectors anticipating heightened activity are downtown office buildings in 24-hour cities; warehouse properties producing cash flow in prominent port and airport gateways; full-service hotels in the major markets; limited-service hotels without food and beverage; and neighborhood shopping centers serving stable infill suburban communities, according to a ULI news release regarding the survey.

BOSTON'S BIOTECHNOLOGY BOOM

Further solidifying Cambridge, Mass. as a leading biotechnology and technology innovation center, Skanska USA Commercial Development announced that it is investing \$70 million into a life science

laboratory and office building in the city. The three-story, Class A building will include 120,000 square feet of highly sustainable lab space, designed and developed to LEED Gold minimum standards.

"We are eager to contribute a world-class lab building to one of the world's leading biotech clusters," said Shawn Hurley, executive vice president and regional manager of Skanska USA Commercial Development in Boston, in a Skanska news release. "The location in Kendall Square will provide tenants with optimal convenience—offering access to public transportation, Cambridge's lively 24-7 atmosphere and immediate proximity to some of the world's leading educational and research institutions, and clinical hospitals." ■



“ONE OF YOUR TENANTS/RESIDENTS HAS COMPLAINED ABOUT **CRIMINAL ACTIVITY** ON YOUR PROPERTY, BUT YOU DON'T HAVE EVIDENCE. HOW DO YOU HANDLE THE SITUATION?”



BRAD ASHLEY, CPM, RPA
SENIOR REAL ESTATE MANAGER
CBRE ASSET SERVICES
KANSAS CITY, MO.

gen x

Unfortunately, crime can be an all-too-often occurrence at any property. In recent years, properties in our area have seen an increase in copper thefts and vehicle damages, such as siphoning fuel.

If a tenant approached me with an incident, I would remain calm and gather the necessary facts by asking the tenant for specific details of the event using the “Four W’s:” who, what, when and where). After hearing the tenant’s story, I would investigate for myself, taking photos of the site for insurance documentation purposes.

With limited physical evidence in this case, I would probably continue to monitor the situation to see if it happens again. Also, in some municipalities, local law enforcement will offer site patrols at no charge to assist in deterring crime. Where appropriate, I would enlist onsite guards or security cameras as another set of eyes.

As always, I would continue to proactively communicate with tenants along the way so they trust the management company is taking steps to resolve their concerns. Keeping a tenant is far easier and less expensive than finding a new tenant for a space.

**LORI BURGER, CPM, CPM, PCAM,
CCAM, CAM**
SENIOR VICE PRESIDENT/
DIRECTOR OF MARKETING
EUGENE BURGER MANAGEMENT
CORPORATION, AMO
ROHNERT PARK, CALIF.



First, I would thank the resident for taking the time to advise me of his/her concerns—receiving feedback is important to me. I don’t take complaints with a grain of salt, as undocumented allegations can often be true and spiral out of control.

I would also take the time to obtain as much information as possible about the situation from the resident, as well as ask other residents and staff who might have witnessed the activity described in the report. Additionally, I would contact the local police department to determine if there has been recent criminal activity occurring on or around the property.

For my peace of mind, I would perform a visual inspection of the property, looking especially for loiterers, damaged vehicles, gate latches not working, broken windows, lights out, storage area doors ajar, vegetation needing trimming, graffiti, etc.

I would also employ other preventative measures, such as alerting the property residents and/or owner of the property—possibly even security personnel—to ensure everyone is informed about the situation. ■

boomer



TURN TO PAGE 28 TO READ ABOUT **CREATING A CRIME-FREE PROPERTY.**

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READ MORE ABOUT SHOT NOTE IN **GADGETS**, ON PAGE 44.



SHOT NOTE

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(FREE; Premium is \$5/month)



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You never know when you might need to get something straight.

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FAST FACTS

The **FIRST DOMAIN NAME** ever registered was symbolics.com.

The word "**CHECKMATE**" in chess comes from the Persian phrase, "**SHAH-MAT**," which means "the king is dead."



The **DOT** that appears over the letter "**i**" is called a **TITTLE**.



A one-ounce milk **CHOCOLATE** bar has 6 mg of caffeine.

VENUS is the only **PLANET** that rotates clockwise.

The palms of your **HANDS AND THE SOLES OF YOUR FEET** cannot tan or grow hair.

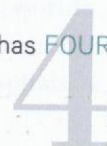


Lions cannot **ROAR** until they reach the age of two.



An **ARMADILLO** can walk underwater.

A slug has **FOUR NOSES**.



CRACKING THE "QR" CODE

BY NADIA GEAGEA PUPA

WHAT IS A QR CODE?

In a nutshell, QR codes are barcodes that are pushing the limits by quickly linking us from physical products to the digital world—also known and “hard linking.” These small codes are changing the way we interact with products—whether it’s with magazines, books, advertisements, signage or even disposable cups at fast-food restaurants. If you’re not sure how to use QR codes or what they can do, then you’re in the right place!

WHAT DOES “QR” STAND FOR?

QR means “quick response,” and it does just that—a quick scan that directly links you to videos, web pages and simple text messages. Many companies today are using these codes not only for providing quick links to information, but also because they are typically free to generate.

HOW DO I USE QR CODES?

Scanning a QR code is as easy as 1- 2- 3.

1. To begin, you will not go far unless you have a web-enabled Smartphone or product with web-enabled capabilities.
2. Be sure that your Smartphone has a QR-Reader application. For the iPhone, search for the free “QR Reader” app and download. Newer Android and Blackberry phones may already have QR-reader capabilities. All types of QR-reader applications are free to install.
3. Launch your QR Reader app, and point your Smartphone’s camera to the QR code to scan and



TO CREATE YOUR
OWN QR CODE,
SCAN HERE!

link you to the virtual world of videos, webpages and messages.

CAN I CREATE MY OWN QR CODES?

There are many available resources online that can help you create your own personalized, free QR codes. For this issue of *JPM*®, we used <http://qrcode.kaywa.com> to generate QR codes. To create your own QR code, simply choose your content type—a URL link or simple text message—and the QR code is generated immediately.

QR CODES AND BEYOND

This innovative capability will change the way your prospective residents and tenants gain information. For example, creating a small QR code to be placed in simple brochures or advertisements can link people to videos or photos of your property to entice them to stop in for a visit. This simple, quick-linking resource is a path to the future generation of quick access to information. Be a part of this cutting-edge technology to link people to your company! ■

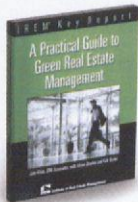
NADIA GEAGEA PUPA (NPUPA@IREM.ORG) IS EDITOR OF EDUCATION PUBLISHING AT IREM HEADQUARTERS IN CHICAGO.

USE YOUR 5 SENSES TO DECREASE EXPENSES

IF YOU HAVE EVER HAD A TEENAGER AT HOME, YOU MIGHT RECOGNIZE THIS SCENARIO: HIS/HER ROOM IS A DISASTER ZONE. CLOTHES ARE STREWN ABOUT, THERE'S A WET TOWEL ON THE FLOOR, CRUSTY DISHES ARE HALF-BURIED ON THE DESK, AND THERE SITS YOUR SON/DAUGHTER, OBLIVIOUS TO ALL THINGS THAT SHOULDN'T BE THERE.



JOHN KLEIN (JKLEIN@JDMGMT.COM) IS THE PRINCIPAL OF JDM ASSOCIATES IN FALLS CHURCH, VA.



MR. KLEIN IS ALSO THE AUTHOR OF A PRACTICAL GUIDE TO GREEN REAL ESTATE MANAGEMENT.

AVAILABLE AT IREMBOOKS.ORG.

As parents, we can get worn out from nagging about messiness—and reluctantly accept substandard conditions—but as property managers and building operators, we have a fiduciary responsibility to constantly strive for excellence.

After due diligence and purchase, we must fight the tendency to become so acclimated to the subtle signs of neglect that we no longer notice them. If you use your five senses to view your building, you can decrease expenses and increase property values. It is better to prepare and prevent than to repair and repent.

1 SIGHT: Problems can be as easy to identify as spotting trash on the floor, but typically that's not the case. For example, you may pass the building at night and see lights left on—but consider the time. Should the cleaning crew have finished by now? Could they use a floor-by-floor approach to minimize lighting use? You may see system messages on the building EMS; do these need to be addressed?

2 SOUND: Use your ears to listen for water dripping, air whistling or problems with equipment in mechanical rooms and plenum spaces. After hours in an office building, almost every sound you hear

has an implication about the energy use. Taking action to address vibrating, squeaking or other types of protesting equipment not only makes your building sound better, it helps you get more mileage out of your equipment.

3 SMELL: What does the air smell like when you first walk into the lobby? Some buildings may have a faint mildew smell or other odor that can indicate you may need to clean components of your ventilation system. Do you smell cleaning products as you pass closets or smell bathroom odors in the hallways? In a multifamily building, can you smell what your residents are cooking? If you can smell any odors from the hallways, the ventilation system needs attention.


4 TOUCH: Use your sense of touch. Does the hot water in the bathroom scald you? Is the air conditioning too cold? Building temperatures should be comfortable, not too cold in summer or too warm in winter. Simple adjustments can save you substantial money.

5 TASTE: Is the water in your building drinkable? Should filters on water fountains be installed or replaced? Are things in the building in *good taste*? Are communications and interactions with tenants smooth and polished? Does your engineering staff dress appropriately?

These seemingly small items have a significant impact on how tenants perceive their experience and the property. ■

IF YOU USE YOUR FIVE SENSES TO VIEW YOUR BUILDING, YOU CAN DECREASE EXPENSES AND INCREASE PROPERTY VALUES.

DO YOU KNOW A WOMAN



WHO IS CHANGING THE WORLD OF REAL ESTATE MANAGEMENT?

IF YOU DO...JPM® WANTS TO HEAR FROM YOU!

WE WANT TO MEET A WOMAN WHO:

- INSPIRES OTHERS THROUGH HER EXAMPLE
- HAS OVERCOME HARDSHIPS OR STRUGGLES TO SUCCEED AGAINST ALL ODDS
- HAS A LEADERSHIP ROLE IN IREM AND/OR IN HER COMMUNITY
- INNOVATES AND CONTRIBUTES GAME-CHANGING IDEAS

10

WINNERS WILL BE CHOSEN THIS SUMMER AND AWARDED AT THE 2012 IREM FALL LEADERSHIP CONFERENCE, IN NEW ORLEANS. THEY WILL ALSO BE FEATURED IN FUTURE ISSUES OF JPM®.

HOW TO ENTER:



PLEASE SUBMIT UP TO **500 WORDS** DESCRIBING YOURSELF OR THE WOMAN WHO INSPIRES YOU.

PLEASE INCLUDE:

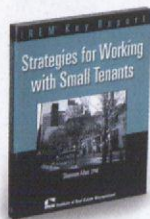
- FULL NAME (WITH TITLE)
- ORGANIZATION
- CITY/STATE/COUNTRY

E-mail all entries to Mariana Toscas,
mtoscas@irem.org, Editor of JPM®.


REFRESH, RETHINK AND REINVIGORATE YOUR PLANS



SHANNON ALTER, CPM, (SHANNON@ALTERCONSULTING-GROUP.COM) IS PRESIDENT OF ALTER CONSULTING GROUP IN SANTA ANA, CALIF.



MS. ALTER IS ALSO THE AUTHOR OF STRATEGIES FOR WORKING WITH SMALL TENANTS.

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THREE WAYS TO SHIFT YOUR MINDSET

Recently, I was sitting in a café in the Republic of Georgia, soaking up the atmosphere and humming idly along with the onstage duo while customers all around me chattered in equal parts Georgian and Russian. A bit out of my comfort zone due to the language barrier, I realized I was not only humming, but *singing* along to a perfect rendition of Journey's *Don't Stop Believin'*. Who knew? Almost instantly, my anxiety dissipated and ideas started to flow.

Being a foreigner in a different country forced me to find comfort in the familiar—suddenly the lyrics to a song I knew inside and out seemed new and refreshed. Putting myself in a different environment made the old seem new again.

Try being an outsider to your marketing strategies. Even if your plans keep you closer to home, taking a second look at your marketing strategies in the New Year, and with a different mindset, can make all the difference. Follow these tips to get 2012 off on the right foot and shift *your* mindset:

1 TACKLE THE TOUGH QUESTIONS

If you think there's a problem at your property, there probably is

Recently, I received a call from a property owner who wanted to discuss a tenant issue in his small shopping center. His primary retailer, who occupied almost 40 percent of his center, had asked for a long-term rent reduction. What should he do? The answer seemed

simple: allow the rent reduction and keep the tenant. After a little digging, the owner finally relayed that he didn't think the tenant had a marketing plan—at all. Taking the time to hone in on tenants' *real* dilemma is time well spent for any property type.

2 TAME THE TEMPTATION

It's difficult to be everything to everybody

If your company is lucky enough to be in growth mode, that brings its own heady challenges—it's exciting to win new business, but growing pains can get the better of us. Conversely, when business is down, it's tempting to take any business that comes your way, whether or not it falls into your area of expertise. Be selective: don't take on business you really don't want, or are not yet ready to handle. Be focused: make sure your marketing message is consistent, intentional and purposeful. Now is the perfect time to take a step back and assess your marketing tactics.

3 REFRESH YOUR PERSPECTIVE

Know when you need help

Not long ago, a colleague asked how she could assess her company to determine if she was going along the right path. Have you ever taken the opportunity to get another perspective? Asking a colleague, an intern or a supervisor to take a look at your property will give you the opportunity to see it through fresh eyes.

No matter where on the globe you happen to be, you can learn to step outside of your comfort zone to reinvigorate your perspective. Oh, and don't forget to sing along. ■


Now Available from the IREM® Bookstore!

A new eBook:

SOCIAL MEDIA

FOR REAL ESTATE MANAGERS



 IREM Institute of Real Estate Management

Social media is rapidly becoming a necessary part of any business marketing and communications strategy. If your customers, tenants, residents, and clients are on social media sites (*and they are*), you need to be too. This new IREM® eBook, *Social Media for Real Estate Managers*, is designed for real estate managers who want to use social media to make connections, build a brand, and grow their business.

Covering topics from basic Twitter and Facebook account setup to advanced metrics to measure your social media success, this is the definitive guide to using social media in the real estate industry.

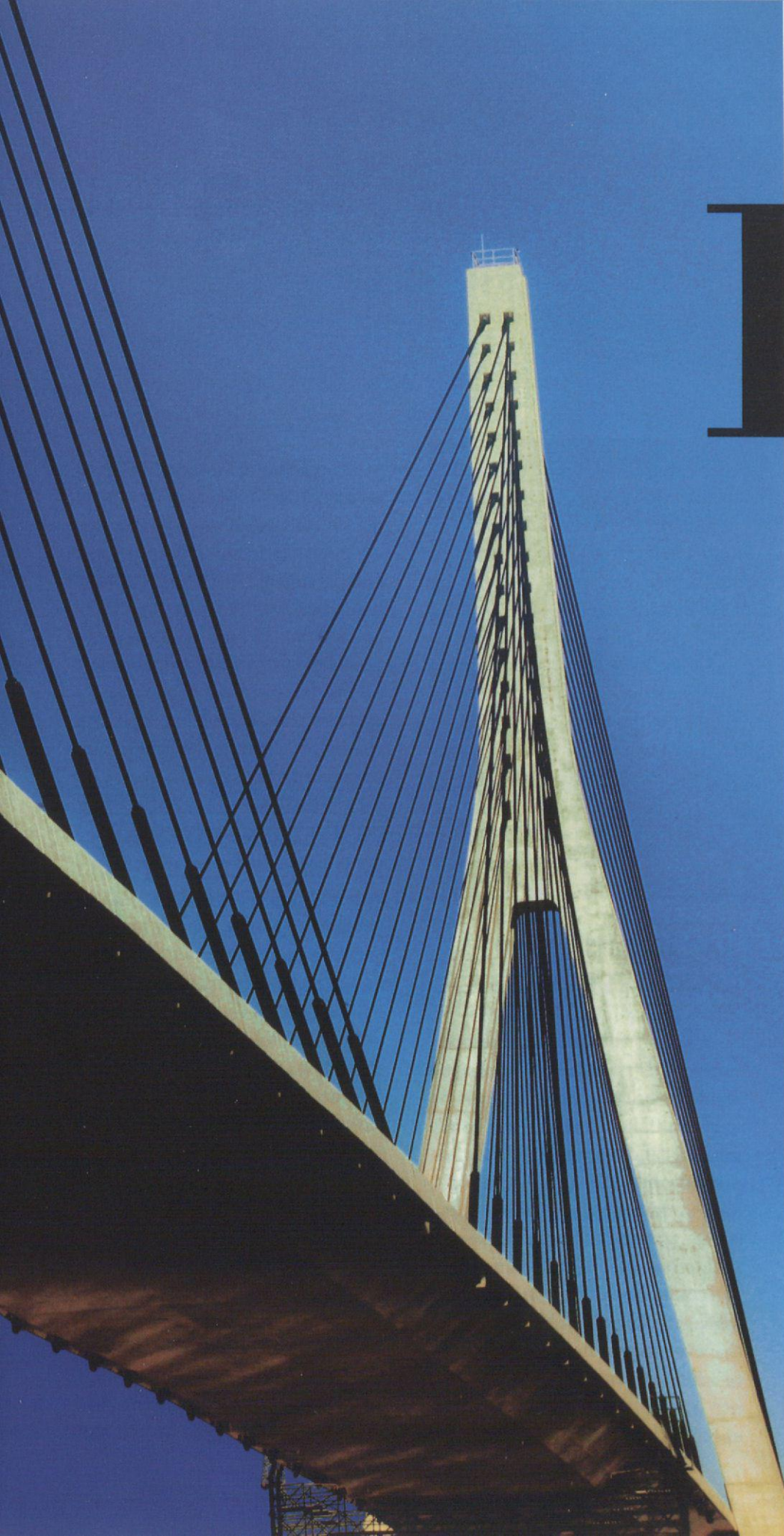
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VIGILANT
MANAGEMENT
APPROACH CAN
IMPROVE RESIDENT
MORALE AND
CONTRIBUTE TO
THE COMMUNITY
AT LARGE.

BY ANDREW SWINKOSKI,
ARM, CPM CANDIDATE

Respect-based management” is treating your residents the way you want to be treated. Provide your residents with all the information they need to be successful in their new apartment. It’s vital to be fair and not base important decisions on emotions or stress. Having respect for your residents can go a long way in changing the way they view their community and the staff.

Establishing a firm base of communication begins on the day a resident moves in. A thorough move-in can take up to two hours; and, while this might seem like a large amount of time, the invest-

CHANGING THE COURSE OF A DISTRESSED PROPERTY IS NO EASY TASK—IT TAKES DEDICATION, MOTIVATION AND THE PROPER STAFF.

ment will pay off through the occupancy period. Take the opportunity to address your expectations and explain all of the community rules to the new resident. Respect-based management is a two-way street: If you expect your resident to follow the rules, it’s only fair that you take the time to explain them. Develop a rapport with residents so that they feel open to communicate with you when the need arises, regardless of the situation. Communication is the core factor in creating a better living (and management) situation at a troubled affordable property.

HARNESSING YOUR COMMUNITY COUNCIL

A resident council functions in two ways: First, it helps to motivate residents to take a form of ownership with the issues in the community; and second, it puts the property manager in a better position to connect to residents’ concerns by being available to speak to the council. Instead of attending the council meeting, the property manager should be available in the event that the council needs to address a particular item. Holding a quarterly resident meeting ensures that residents who don’t

participate in the council become involved and have a voice. Resident meetings are more productive when site staff, upper management and representatives from HUD attend, because the meetings help strengthen mutual communication: residents become more aware of the background behind management choices, and management can better develop comprehensive community policies.

DEVELOPING STRICT PARKING PARAMETERS

If your community has a buildup of unwanted traffic, it’s beneficial to adopt a strict parking policy. Before drafting your policy, get up-to-speed on local parking laws and allow your local HUD office and contract administrator time to review and/or revise your policy. Ensuring that every person parking onsite has a parking pass is a great way to control the traffic coming to the property. Visitor passes should be valid for two weeks at a time and residents should accompany the guest to the office to obtain the pass. Taking copies of the registration is a good way to monitor who visits your site and will prevent stolen cars from being parked at the

SECURITY CAMERAS AND AFTER-HOURS SECURITY ARE CRUCIAL AND NECESSARY EXPENSES FOR A TROUBLED COMMUNITY.



property. Enforcing parking regulations goes more smoothly when you develop a trusting relationship with a local towing company, which can work with you to provide evidence to a resident whose vehicle gets towed. Suggest that the towing company provide pictures as evidence that the proper car was towed, and to help communicate to the resident why the car was towed.

STICKING TO SECURITY MEASURES

Drugs, violence and gangs breed at troubled sites; the best line of defense is developing strong security measures. Security cameras and after-hours security are crucial and necessary expenses for a troubled community. You cannot evict a resident based on hearsay of criminal activity—you need to have documentation. Police reports, security reports and tenant complaints provide a backbone to ridding your property of these issues. Having an open line of communication with all residents makes it easier to identify high-traffic apartments and criminal activity.

To nip criminal activity in the bud, create a semiannual inspection, which will enforce house-



PHOTOGRAPH © TUOMAS KUJANSUU/ISTOCKPHOTO

keeping rules, identify unauthorized residents and criminal activity. Make sure to document the status of the unit after the inspection. In the event that you do learn of illegal activity, immediately call the resident into your office for a discussion. After obtaining security evidence, police reports and resident complaints as backup, you can enforce the regulations of the resident's lease. This is also a perfect opportunity to ask the resident to sign a 30-day notice and simply move out. When facing the choice of permanently losing a subsidy or leaving your site, typically the resident will opt to move out. This

proactive option will decrease legal costs; however, be prepared to file for an eviction, if necessary.

MAKING THE ROUNDS

Try to walk the property up to twice per day—at varying times so that residents do not become accustomed to the inspection—in order to identify areas that pose safety concerns, properly secure doors and monitor heavy-traffic areas. If residents approach you with items that need fixing or complaints, try to direct them to the office or set up a meeting so that you can remain focused on

inspecting the property. When badly behaving residents come to your office, zero-tolerance policies should be enforced. Do not allow residents to disrupt the operation of the property; this will only perpetuate the cycle of bad behavior in your community.

DEVELOPING STAFF

Training site staff—not only on HUD rules and regulations but also on how to prepare for and handle escalated situations—should always be a key priority.

Having local law enforcement or your on-site security team provide tips to residents can go a long way. Local HUD offices are a great resource to help develop and implement programs if you need help.

Affordable housing should not be looked upon as permanent. Management must develop programs—such as good housekeeping tutorials, career fairs, resumé-writing classes, GED preparation and computer classes—component to their site. Most affordable sites are not regulated to have these programs, but it's a good idea to propose them to senior management, if possible.

Having such programs help change your resident base and site reputation. The goal is to encourage future residents to have a desire to live at your property and not feel like it's their last resort. Residents who take pride in their environment typically contribute to the overall success of the property.

Creating community change occurs through adopting a proactive approach to managing troubled affordable properties. Don't hesitate to discuss your challenges with upper management and your local HUD

USE THESE “SMART” GUIDELINES WHEN DEVELOPING A STAFF TRAINING PROGRAM USING THE HUD 4350.3 MANUAL:

Specific: Become familiar with the rules within the manual so that you can navigate through and develop test questions.

Measurable: Develop and implement a test to be administered at the end of each chapter.

Attainable: Assign a reasonable amount of reading and studying, such as one chapter per week.

Relevant: Training should be able to be applied to a new hire or existing employee looking to grow into a manager-level position.

Timely: Using the HUD manual, nine chapters can be completed in as few as nine weeks.

office. Changing the course of a distressed property is no easy task—it takes dedication, motivation and the proper staff. As property managers, we always strive to raise NOI; yet, as affordable housing property managers, we must also focus on improving the quality of living. ■

ANDREW SWINKOSKI, ARM, CPM CANDIDATE, (ASWINKOSKI@MCRMANAGEMENT.COM) IS A PROPERTY MANAGER FOR KEYSTONE NORTH APARTMENTS IN INDIANAPOLIS.



Trends in Apartment Revenue Management

by Dharmendra Sawh,
YARDI Systems

APARTMENT REVENUE MANAGEMENT (ARM) SYSTEMS CAN ASSIST IN MAXIMIZING OCCUPANCY, OPTIMIZING REVENUE AND CONTRIBUTING TO RESIDENT SATISFACTION BY OPENING UP NEW LEASING OPTIONS. A COMPANY WISHING TO TAKE ADVANTAGE OF SUCH A SYSTEM SIMPLY NEEDS TO DECIDE WHICH MODEL WORKS BEST FOR ITS ORGANIZATION AND MANAGEMENT STYLE.

Apartment Revenue Management (ARM) mirrors the revenue management principles applied by the airline, hotel and car rental industries, which seek to price competitively in the marketplace. Although use of revenue management systems in the multifamily industry has initially been slow, interest and adoption has risen sharply in the past two years as companies strive to keep the revenue line as high as possible in a shrinking economy.

The growing interest in ARM is a notable trend in multifamily property management. Companies are actively investigating revenue management products and learning the principles and practices of the discipline. As they become more educated, they become more discerning customers, driving improvements to the products to match the needs and expectations of increasingly knowledgeable decision-makers.

Responding to customer demand, technology providers have created products that follow a trend- and rules-based model. This presents a different approach to pricing while upholding the principles of revenue

management. The method initially adopted in the multifamily industry followed the statistical forecast model as a platform to determine the price. In contrast, new best practices have evolved the revenue management model that utilizes the trends of supply, demand and market conditions (i.e., market comparisons) to determine the direction

COMPANIES ARE ACTIVELY INVESTIGATING REVENUE MANAGEMENT PRODUCTS AND LEARNING THE PRINCIPLES AND PRACTICES OF THE DISCIPLINE.

and magnitude of price movement. The earlier statistical forecast model generates a predictive analysis from the trends mentioned above using highly complex statistical forecasting algorithms before determining the price movement. The newer trends-and rules-based model determines the price change directly from the trends, allowing complete transparency regarding determination.

The newer trend-and-rules-based model has changed rental pricing in three ways: First, the determining factors of the price changes are visible and easily understood. Second, analytical re-

porting that follows the pricing methodology enables flexibility in pricing engine decisions that focus on the (supply, demand and market) inputs as well as the resulting price change. Third, enabling more participation in the pricing process by property and leasing managers balances automation with human expertise and oversight. The trend- and rules-based model has developed new ARM best practices in which apartment pricing and marketing is complemented by involving community, regional and corporate resources in a process of price reviews and feedback to continually tune the pricing engine.

Regardless of their philosophy, multifamily managers now have ARM options, and they can choose the one that best fits into the business and budget, bringing lasting value to their organization. As comprehension of ARM increases and best practices evolve, ARM technology providers will continue to innovate and improve and therefore bring more capability to the products. With a customer base that is becoming more educated and driving improvements to the products and models, and with multiple options making ARM systems more widely accessible, the adoption of ARM systems can be expected to grow significantly throughout the multifamily industry. ■



DHARMENDRA SAWH IS A CONTRIBUTING WRITER FOR YARDI SYSTEMS.

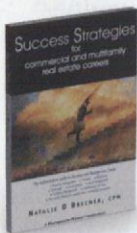


WALKING IN WORK BOOTS

ACCORDING TO AN OLD ADAGE, "BEFORE CRITICIZING A MAN, WALK A MILE IN HIS SHOES." BUT HAVE YOU EVER WALKED A MILE IN A MAINTENANCE TECHNICIAN'S SHOES?



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MS. BRECHER IS ALSO THE AUTHOR OF *SUCCESS STRATEGIES FOR COMMERCIAL AND MULTIFAMILY REAL ESTATE CAREERS*.

AVAILABLE AT IREMBOOKS.ORG.

In an effort to bridge the gap between two very different worlds at my properties—management and maintenance—I worked with a firm to strengthen the communication and did some detective work to uncover the thoughts held by both parties. The following are some sound bites from this exercise:

MANAGEMENT: FIX THINGS FASTER, BETTER

The property managers' input on what they wanted from maintenance centered upon quality. Managers requested that maintenance complete paperwork accurately, thoroughly and on time. In addition, they mentioned that they wished maintenance would work faster and complete work more swiftly. Finally, property managers wished maintenance would fix things right the first time, and not rush and make mistakes.

MAINTENANCE: TRUST US

Maintenance requested compassion from management, wishing that they would see things from the maintenance perspective and not forget that maintenance is part of the team at-large.

"They [management and maintenance] are very different areas," said a surveyed technician. "The manager would have to work with me to understand how much my area encompasses. If my work was better understood, it'd be easier to explain."

Some technicians didn't expect managers to know about maintenance, while others said they wanted managers to know more. Ultimately, however, all technicians wished managers trusted them more regarding how work should be done and the time it takes to do a job, regardless of the manager's degree of knowledge.

MENDING DIFFERENCES TO MAKE A DIFFERENCE

After gathering thoughts from both sides, management and maintenance were brought together and I facilitated a think tank to uncover mutually beneficial solutions. Just the fact this think tank was being held, and included maintenance, carried a lot of weight and the technicians were elated. Together, the managers and technicians developed ideas to improve communication and understanding. They addressed procedural components, too, such as developing ways to make it easier for the technicians to complete paperwork.

Property managers often concentrate on positions that generate revenue—working to understand and improve that performance—and devoting attention to maintenance often takes a back seat.

What do you do consistently to better understand your technicians? Do you open the lines of communication and let them know that you value what they do?

One technician's statement had a special message: "Managers, please remember that you rest in comfort in the night while maintenance works nights and early mornings after serving eight hours—and we are tired. We've been on our feet and we continue no matter what time it is because we know that what we're doing has value." ■



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I HAVE A DUTY TO REPORT, BUT I'M SCARED!

YOU OBSERVE UNETHICAL BEHAVIOR ON THE PART OF A FELLOW IREM MEMBER. WHAT DO YOU DO? TO COMPLICATE THINGS, WHAT IF THAT PERSON IS YOUR FRIEND, YOUR CO-WORKER OR EVEN YOUR BOSS?



MARJEAN POUNTAIN, CPM, (MARJEAN@POUNTAINPARTNERS.COM) IS PRESIDENT OF POUNTAIN PARTNERS LLC IN SHEBOYGAN, WISC.

Your first inclination may be to look the other way, pretend not to see the discretion and hope the matter disappears. Whether you are a CPM Member, other credentialed member or Associate Member, you have a duty to uphold the *IREM Code of Professional Ethics*, and you are obligated to take action to correct the problem.

No one wants to be known as a tattletale, and most of us work in close-knit communities where property managers, especially IREM members, know each other and want to help—not hurt—each other's careers. So how do you go about diplomatically addressing the concern without having the matter backfire?

INVESTIGATE FIRST

As with any problem or concern, it is best to first investigate to make sure you aren't misunderstanding the matter. Review whatever documentation is available in a quiet, confidential manner. It also helps to read the Code to ensure the matter is of an ethical nature, as opposed to an error in judgment or a human error.

GIVE THE BENEFIT OF THE DOUBT

It's always best to bring behavioral concerns to the person's attention and talk to he or she about what you believe is improper—there may be more to the story. Ideally, the person will appreciate

your alerting him or her to the issue, and even take the appropriate steps to correct the problem.

GET ADVICE

If the matter can't be discussed with the person whose behavior you are questioning, another option is to request to talk to that person's supervisor, local IREM chapter president or other seasoned IREM Member, in confidence. You might bring up the issue in a hypothetical manner so as not to incriminate the individual until you have gathered all the facts and had a chance to think it through properly. If you're unsure of whether or not a matter is truly an ethical violation and/or how to file a complaint, Eileen Lynch, the IREM ethics administrator, can guide you through the process.

DUTY TO REPORT

To err is human, but as an IREM Member, we have sworn to uphold the Code. If you have witnessed unethical behavior but choose to ignore it, you could be subject to charges under Article 13 of the Code, which is the Duty to Report Violations. We must all work together to uphold the highest ethical standards so that we can be proud to call ourselves members of IREM. ■

WE MUST ALL WORK TOGETHER TO UPHOLD THE HIGHEST ETHICAL STANDARDS SO THAT WE CAN BE PROUD TO CALL OURSELVES MEMBERS OF IREM.

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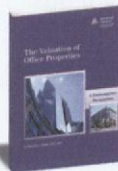


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WHY INVEST IN COMMERCIAL REAL ESTATE?

OFTEN CRITICIZED BY THE MEDIA, REAL ESTATE IS VIEWED BY SOME AS AN INFERIOR INVESTMENT DUE TO ITS LABOR-INTENSIVE MANAGEMENT RESPONSIBILITIES—BUT CONSIDER THE ONGOING BENEFITS OF INVESTING IN INCOME-PRODUCING PROPERTY.



NICHOLAS A. DUNLAP, CPM, (NDUNLAP@DPGRE.COM) IS VICE PRESIDENT OF DUNLAP PROPERTY GROUP, AMO, IN FULLERTON, CALIF.



MR. DUNLAP IS ALSO THE AUTHOR OF *THE FOUR BENEFITS*.

AVAILABLE AT IREMBOOKS.ORG.

Just as there are different reasons to invest, there are also a variety of investment vehicles in the marketplace, including stocks, bonds, futures and real estate. When considering real estate as an investment vehicle, this supposed downside can be outweighed by the four benefits of owning commercial real estate. Successful investing should not be seen just as the key to retirement; on the contrary, investing should be a practice that is tailored to fit an individual's active lifestyle and expectations. Waiting until retirement to invest can make you more susceptible to fluctuation in the marketplace and perhaps less capable of taking the calculated risks.

THE FOUR BENEFITS OF INVESTING IN REAL ESTATE

The four benefits of owning or investing in real estate are more powerful than those of other investment vehicles or asset classes. Cash flow, tax shelter, hedge against inflation and equity buildup allow you to pay living expenses, reduce your taxable income, protect you from plummeting dollar amounts and provide you with equity that you can tap into to make additional investments. Not only are stocks and bonds more speculative, they require a more detailed and active approach to management.

What's more, the benefits of owning real estate are ongoing, whereas stocks and bonds must be continuously bought low and sold high, with brokerage commissions taken off

the top, in order to generate income or cash flow unless they are paying dividends.

DIVERSIFYING YOUR PORTFOLIO

It is important to diversify your investment portfolio to include stocks, bonds and futures as well, so you are not too highly invested in one asset class. Diversifying your real estate holdings—both by purchasing properties on your own and by participating in group real estate investments or syndications—is just as important as diversifying your portfolio. You can go further and diversify within the type of properties you own as well: multifamily, office, retail or medical.

Equally important to the identification and acquisition of investment property is the ongoing professional management of the asset. From physical upkeep, such as landscape, curb appeal and capital improvements, to financial upkeep, such as budgeting, rental market analysis and income/expense studies, property management is paramount to the success of your investment. Hiring the wrong management firm can cost you time, money and cause you a tremendous amount of grief.

Do your homework ahead of your acquisition—call or visit clients and ask about their experience with the firm to determine if their method of ownership/management meets your standards—and always ask for property and client references. Whatever your decision, there are always opportunities within today's market. ■

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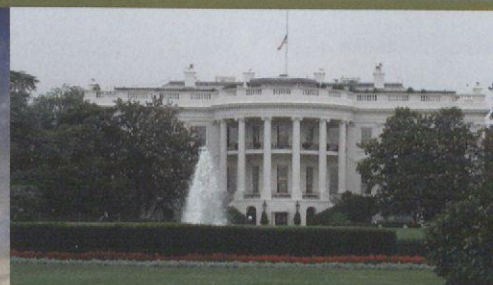
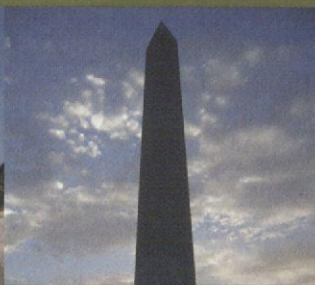
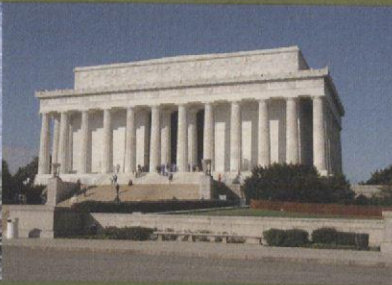
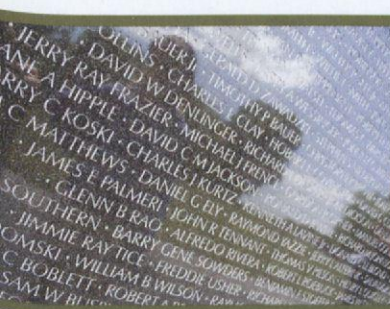
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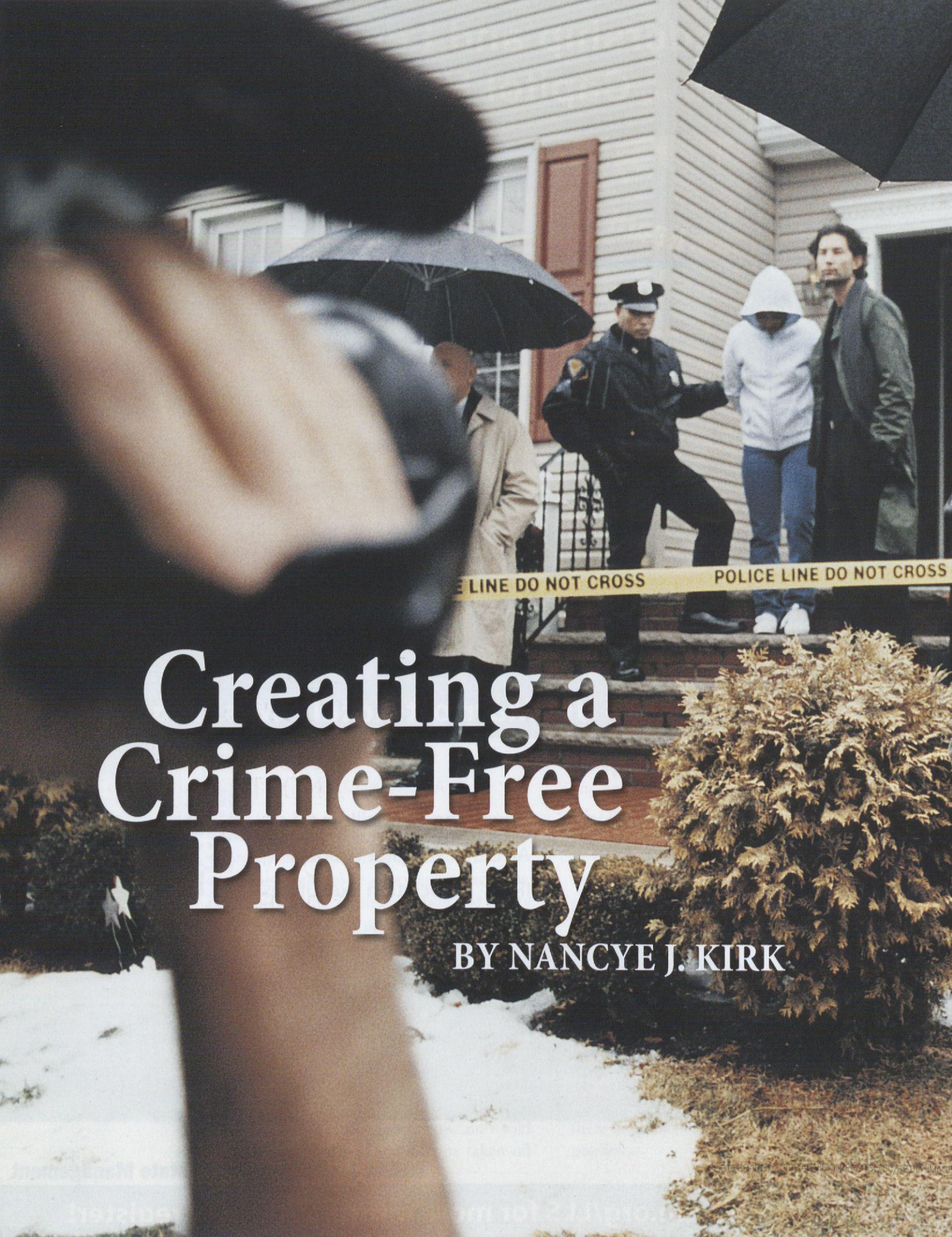
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Creating a Crime-Free Property

BY NANCYE J. KIRK



“CRIMINALS WILL
BREAK DOWN
EVERYTHING
YOU’VE BEEN
HIRED TO DO.
THEY WILL
DESTROY YOUR
PROPERTY.
THEY WILL
DESTROY YOUR
REPUTATION.
THEY WILL
DESTROY THE
SURROUNDING
NEIGHBORHOOD.
AND IT CAN TAKE
MONTHS—IF
NOT YEARS—
TO GET THAT
REPUTATION
BACK.”

(QUOTED FROM PREVIOUS PAGE.)

— REBECCA NOEL,
EXECUTIVE DIRECTOR OF THE
INTERNATIONAL CRIME-FREE
ASSOCIATION (IFCA), COMMUNITY
SERVICE OFFICER FOR THE
TUCSON POLICE DEPARTMENT
AND SPEAKER AT THE 2011 IREM
FALL LEADERSHIP CONFERENCE
IN SAN DIEGO LAST OCTOBER.

Noel's stark reminder that no property is immune from criminal activity put the spotlight on property managers, who have a duty to address illegal activity—not after it happens, but before it happens and the damage is done—by becoming adept at identifying the warning signs of criminal activity.

A program developed by the IFCA is designed to do just this. The ICFA's Crime-Free Program calls on the active participation and collaboration of three stakeholders—law enforcement, property management and tenants/residents—all working toward the common goal of making a property reasonably safe and improving the quality of life for residents by preventing problems before they become crime statistics.

Initially launched by Tim Zehring, an officer with the Mesa, Ariz., police department in 1992, the Crime-Free Program—which

includes three phases that must be completed under the supervision of the local police department—has spread to nearly 2,000 cities in 44 U.S. states, five Canadian provinces, as well as Mexico, England, Finland, Japan, Russia, Malaysia, Nigeria, Afghanistan and Puerto Rico. Property managers become individually certified after completing training in each phase, and the property becomes certified upon successful completion of all three phases.

THREE'S A CRIME

PHASE 1—SURVEY

As part of the Crime-Free Program, a Crime Prevention Through Environmental Design (CPTED) survey is conducted. The CPTED survey rests on the idea that the proper design and effective use of the built environment can lead to a reduction in both crime itself, and the fear surrounding crime. The CPTED survey takes into account how a property's design features, landscaping and natural access can become an invitation to the criminal element or can be corrected to create a barrier against illegal and inappropriate behavior.

PHASE 2—INSPECT

Noel said that the second phase of the Crime-Free Program is to conduct a thorough inspection of the property. The CPTED survey incorporates an inspection to ensure that doors, windows and locks are in compliance with minimum standards, an evaluation of exterior lighting and landscape maintenance standards, and a review of

EVEN WELL-
MAINTAINED
PROPERTIES
CAN FALL INTO
A CRIME TRAP
WITHOUT A
CRIME-FREE
PROGRAM IN
PLACE.



PHOTOGRAPH © VCI/AMERICAN MUSEUMS

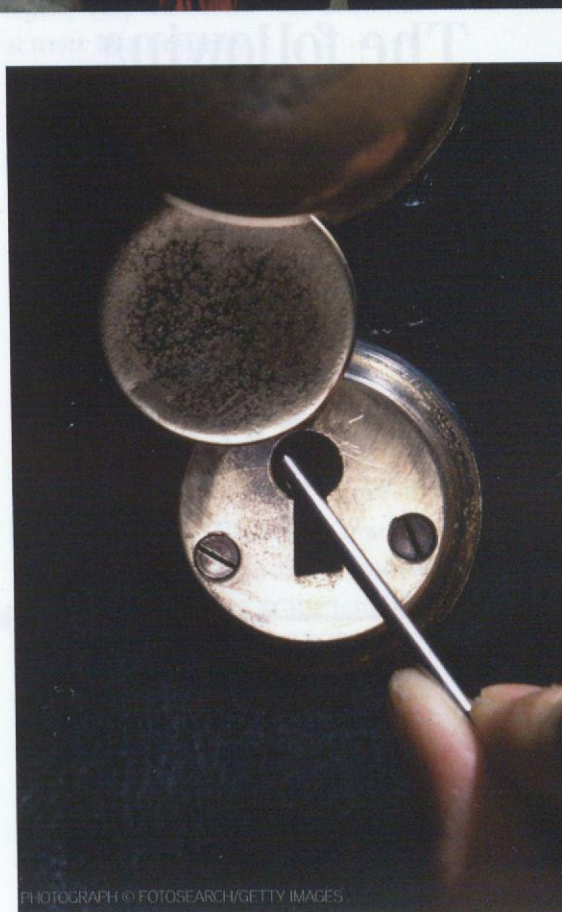
key control procedures.

We look at peepholes, auxiliary locks for windows, deadbolts, three-inch screws in strike plates, landscaping and lighting,” said Noel.

“How you trim your bushes and trees can be a huge factor in eliminat-

ing—or inviting—criminal activity.”

Speaking to the comprehensiveness of the survey, Noel pointed out that [the CPTED survey incorporates] both a day inspection and a night inspection. At nighttime, we’re looking at lighting.



PHOTOGRAPH © FOTORESEARCH/GETTY IMAGES



FOR MORE INFORMATION ABOUT THE CRIME-FREE PROGRAM, GO TO WWW.CRIME-FREE-ASSOCIATION.ORG.

SCAN THIS QR CODE TO WATCH A VIDEO OF REBECCA NOEL'S PERSPECTIVE ON CREATING A CRIME-FREE PROPERTY.



The following
are indicators of
illegal
activity:

AN INCREASE IN PEDESTRIAN AND VEHICULAR TRAFFIC, OR UNUSUAL TRAFFIC PATTERNS. An increase in traffic activity by people who stop for only a brief period of time, or observing rental moving vans, which can be used as meth labs.

STRANGE OR UNUSUAL ODORS EMANATING FROM A UNIT. A strong ammonia smell, similar to that from a cat litter box, or the odor of chloroform, can be a sign of a methamphetamine drug laboratory.

CLOTHING "COLORS" AND INSIGNIA WORN BY TENANTS AND VISITORS. Red is a gang color. If it seems that everyone who visits a unit is wearing red, be suspicious. Observing tenants wearing a webbed belt, particularly with the end hanging down, could indicate they are "flying" colors to other gang members.

TRASH AROUND AN APARTMENT OR HOME. If your maintenance staff are finding a lot of trash, espe-

cially right outside of the door, be concerned.

SUSPENDED LICENSE PLATES. This is one of the reasons you should not permit cars to back into parking space. You want to be able to see all license plates and make it easy for law enforcement officers to see license plates.

SUSPICIOUS PERSONAL BEHAVIOR. Pay attention to nervousness, body ticks, intense scratching, sores and watery eyes, particularly when tenants come to pay their rent. These behaviors are why meth users are called "tweakers."

EXCESSIVE AMOUNTS OF OTHERWISE UNSUSPICIOUS NORMAL HOUSEHOLD ITEMS. Common household items can be used to create meth labs: large cans of acetone, copper wiring, glass containers, glass coffee carafes containing strange red residue, large quantities of brake fluid and matchbooks with their striker pads removed.

PHASE 3—MAINTAIN

The CPTED survey also contains a maintenance review. A poorly maintained, deteriorating property indicates lack of concern by the tenants and owner and is regarded as a welcome mat to unwanted prospective tenants. A property that appears to be maintained, on the other hand, projects an image of a community that is safe, quiet and clean, and thus attracts good tenants. An effective maintenance program incorporates such practices as removing graffiti quickly, discouraging vandalism by prompt repair of damages and keeping the property well-tended and litter-free.

“Your maintenance staff can be your eyes and ears,” said Noel. “They need to know what to look for when they go into apartments or learn to recognize suspicious items being thrown into the garbage. That’s why maintenance employees are part of the Crime-Free Program.”

According to Noel, learning to identify the warning signs of criminal activity is of the utmost importance. While law enforcement officials are trained at this, property managers may not be as familiar with how to identify such activity.

SCREENING AND EVICTING

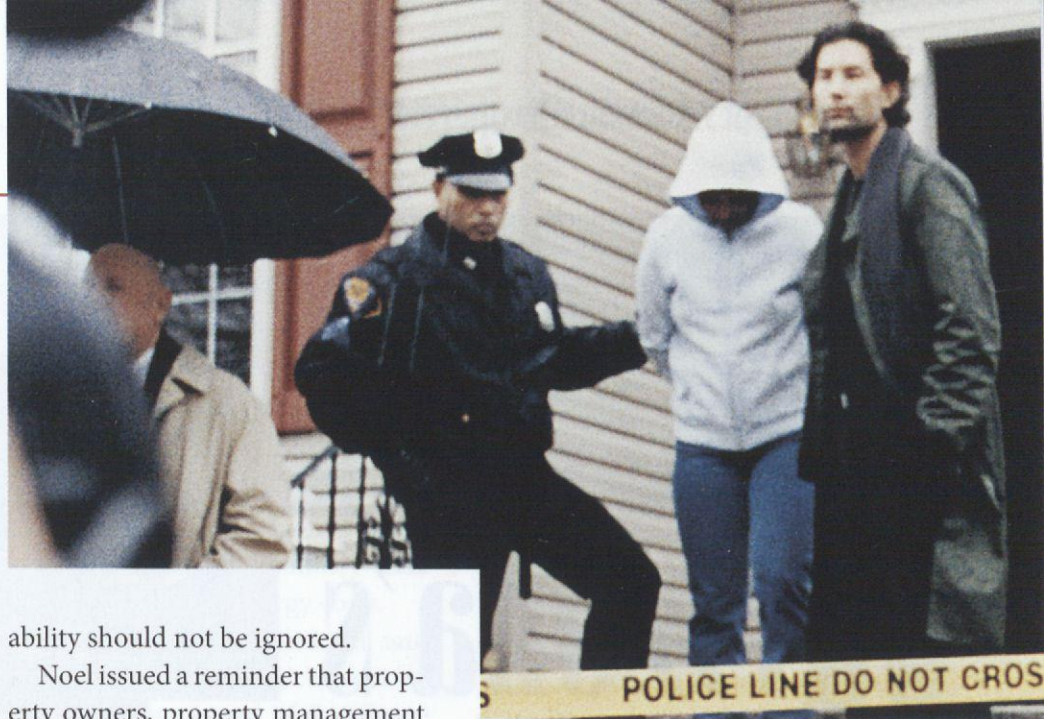
Acknowledging that crime-free properties attract and retain the kind of tenants that property managers want at their properties and contribute to a more solid bottom line, the implications of premises li-

ability should not be ignored.

Noel issued a reminder that property owners, property management companies and property managers can be held liable for what occurs on their properties. Taking steps to eliminate criminal activities through a training program, such as the ICFA Crime-Free Program, can go far in the event of a lawsuit by demonstrating management is doing all it can to eradicate crime.

Police service calls and written police reports are the two key metrics used to measure the success of the Crime-Free Program. According to the IFCA, properties that have adopted the program have seen an average 37-percent reduction in police calls for service and a 48-percent decrease in written police reports. In many cities, the decreases have been much greater, reaching as high as 85 percent. The implication to property managers is undeniable. Reducing crime, according to Noel, “can lead to a more stable and satisfied tenant base, lower maintenance and repair costs and increase a property’s value.”

In addition to helping property managers learn to identify signs of criminal activity and to discourage it, the program also offers insights

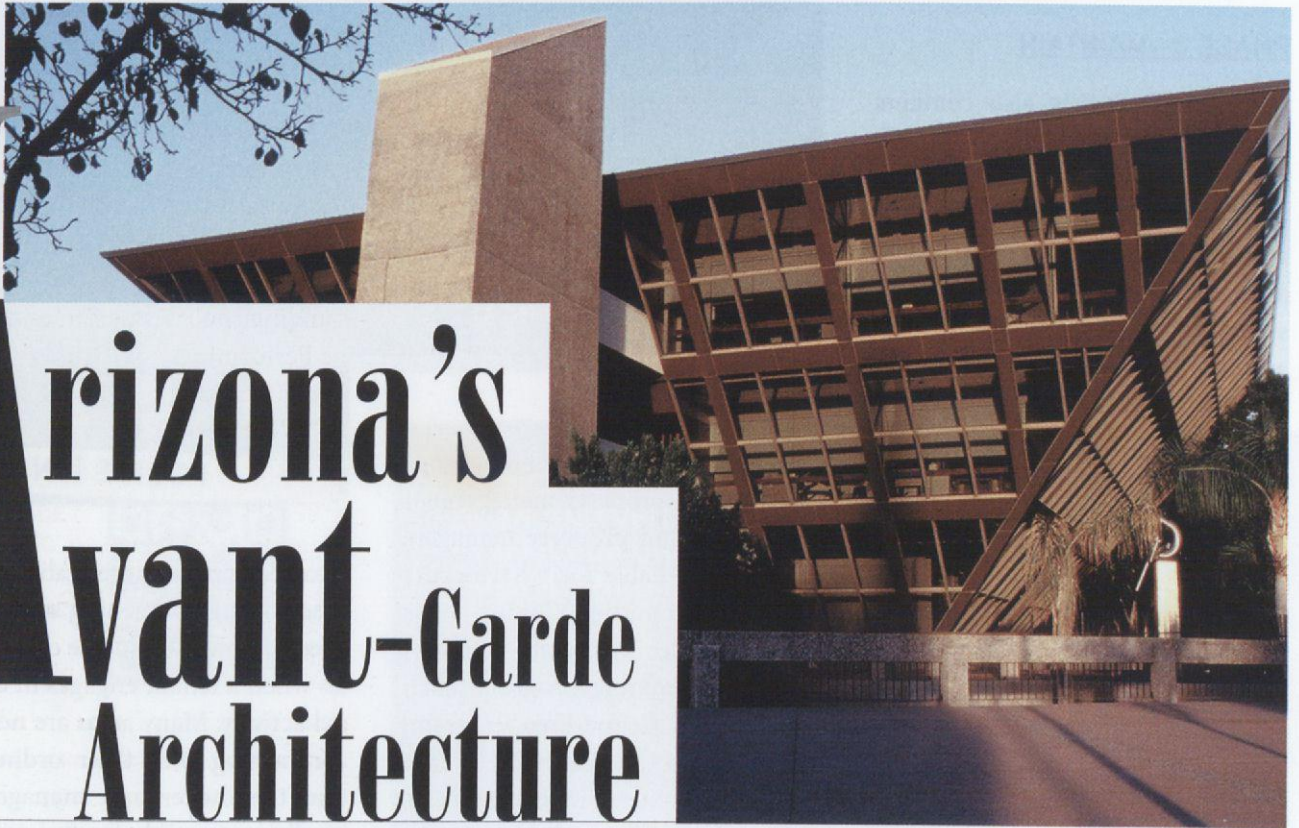


into securing a more stable tenant base through screening and credit checks, as well as advice on what to do when a tenant engages in criminal activity. Many areas are now incorporating into their ordinances that the owner and manager are legally responsible for the criminal activity at a property.

“Under most of these ordinances, you are responsible for knowing what happens on your property and cleaning up your property when it comes to your attention that criminal activity is occurring,” said Noel, who added that managers who don’t take action could see their properties going into abatement.

“Once you find out that a tenant is doing something criminal, immediately start eviction proceedings,” said Noel. “Don’t be a manager who has blinders on and ignores the situation so long as the tenant is paying rent.” ■

NANCY J. KIRK (NKIRK@IREM.ORG) IS CHIEF STRATEGY OFFICER/VICE PRESIDENT OF THE GLOBAL SERVICES INSTITUTE OF IREM HEADQUARTERS IN CHICAGO.



W rizona's A vant-Garde Architecture

by Mariana Toscas, MFA

“**T**he first thing visitors do when they enter the [Tempe Municipal] building is look up,” said Jennifer Adams, facilities operations manager for the city of Tempe, Ariz. “It really has that ‘wow’ effect.”

Constructed in 1970, the 17,650-square-foot, three-story, solar-bronzed glass and steel inverted pyramid appears part Egyptian, part space age—a timeless yet radically modern design that differentiates this city hall from any building in Arizona, and even the world.

“It was controversial then, and it is controversial probably even today,” said Elmer Bradley, former Mayor of Tempe from 1968 to 1970, of the Tempe Municipal Building.

WM MAKING A MARVEL

“This site has been the site of the Tempe city government since at least the 1920s,” said Mark C. Vincent, AIA, AICP, NCARB, city architect and preservation manager of the city of Tempe community development, in Tempe. “The building that we see today replaced a 1920s neoclassical style building that not

only contained city offices, but the fire department, library and courts.”

Vincent said that City Hall’s architect, Michael Goodwin, of Michael & Kemper Goodwin Ltd., strove to design a building that had complete respect for the Arizona sun, an open space vista at the heart of the site, open citizen access and community integration.

In addition, before plans were drawn up for the new City Hall,

“THE 17,650-SQUARE-FOOT, THREE-STORY, PYRAMID APPEARS PART EGYPTIAN, PART ERN DESIGN THAT DIFFERENTIATES THIS CITY



rumor has it that former Mayor Bradley asked that offices for elected officials and the city manager be located on the top floor, while support staff and people-oriented services occupy the lower floors in order to make them handy to the public. Designing a structure that could honor each of these criteria was no easy task.

“[Goodwin] said that the idea came to him while he was taking a shower one morning,” said Vincent. “When he saw the sunlight streaking across the shower door at a forty-five degree angle, he started drawing on the condensation on the shower door, in kind of a ‘eureka, I’ve got it!’ moment.”

The resulting structure is nothing less than amazing: the inverted pyramid—with walls extending at a 45-degree-angle, and measuring 45-feet per side—keeps direct sunlight from striking the glass, thus achieving maximum sun in the winter and minimum heat in the summer.

In addition, the upside-down pyramid shape acts as an umbrella that protects administrators, as well as the below-grade courtyard and adjacent offices, from the Arizona sun.

Complementing the design, the building’s steel frame helps to support thick panes of glass, which are engineered for flexibility, heat and cold tolerance.

EE ENERGY EFFICIENCY

The early 1970s was a time when oil supplies were low and prices were high as a result of the Arab-Israeli War of 1973 and OPEC-imposed oil embargo, resulting in country-wide pressure to reduce energy costs.

Quite possibly, the unusual and outlandish design—which went on to receive the Award of Excellence from the American Institute of Steel Construction, in 1971, and the Award of Merit from the Western Mountain Region of the American Institute of Architects in 1972—is as energy efficient today as it was when it was first built. Most recently, in 2009, the City of Tempe received an Energy Efficiency and Conservation Block Grant (EECBG) through the American Recovery and Reinvestment Act (ARRA) for an energy audit and retrofits for City Hall.

“New energy-efficient lighting, HVAC controls and upgrades, occupancy sensors and computer power management were installed,” said Grace DelMonte Kelly, Energy & Project Manager for the City of Tempe.

“In addition to saving nearly \$30,000 annually in energy costs, the upgrades helped to reduce energy consumption by 30 percent, which cut carbon emissions by 206 metric tons—the equivalent of removing

40 cars from the road each year.”

Adams added that City Hall has a two-mile-long, automated, quick-response water chiller system that supports four buildings: a human resources and financial sources building, police department, Tempe Performing Arts Center (TPCA) and jail headquarters.

“What keeps the mayor cool and the City Council members cool, keeps the jails cool. They’re sharing their air,” said Adams.

JT TEMPTING TEMPE

The Tempe Municipal Building’s unique shape, progressive design and downtown location helped transform downtown Tempe, serving as what Goodwin calls a “lantern to the city,” and directing hundreds of thousands of tourists and residents to downtown Tempe’s stores, restaurants and entertainment destinations annually.

Adams said that people frequently ask for directions to the “upside-down building,” which has become quite a landmark in Tempe. Vincent added that the building’s “strikingly modern design” has certainly withstood the test of time.

“[The Tempe Municipal Building],” said Vincent, “conveys the idea that government is for the people and open to the people.” ■

SOLAR-BRONZED GLASS AND STEEL-INVERTED SPACE AGE—A TIMELESS YET RADICALLY MOD-HALL FROM ANY BUILDING IN THE WORLD.”

MARIANA TOSCAS, MFA,
(MTOSCAS@IREM.ORG) IS THE
EDITOR OF JPM®.

NORTHWEST TECH

EMERGING TECHNOLOGIES LIKE CLOUD COMPUTING, DATA STORAGE AND SOCIAL MEDIA AREN'T JUST AFFECTING THE WAY WE LIVE AND WORK, THEY'RE AFFECTING JOB GROWTH, TOO—SPURRING PICKUP IN COMMERCIAL OFFICE REAL ESTATE MARKETS THROUGHOUT THE COUNTRY, PARTICULARLY THE NORTHWEST, WHERE SO MANY TECHNOLOGY JOBS ALREADY RESIDE.

BY KRISTIN GUNDERSON HUNT

The high-tech industry is driving employment growth, and the strongest technology sectors are impacting office markets across the nation with several tech clusters in the West,” said Colin Yasukochi, vice president of research for Jones Lang LaSalle’s Northwest Markets in San Francisco.

High-tech jobs grew nearly four-times faster than the overall economy in terms of job creation between early 2010 and the middle of 2011, according to the Jones Lang LaSalle report, *High-Technology Industry U.S. Office Outlook*, released in the Fall of 2011. Twenty-five percent of the office-using jobs created since February 2010 have been high-tech services jobs, according to the report.

It highlighted San Francisco and Silicon Valley as experiencing the strongest high-tech services growth, but indicated Seattle is also experiencing gains, albeit on a much smaller scale.

“The western markets tend

to be the strongest, fastest growing technology markets because of their creative cultures, strong higher education base and the larger technology companies that already exist in the area,” Yasukochi said.

THE GOLDEN GATE TO TECH FIRMS

Technology-related firms expanding their spaces or leasing office spaces for the first time in San Francisco—like Facebook, Twitter and Salesforce.com, along with smaller start-up ventures—caused a 90-basis-point decline in the metro’s vacancy rate, to 14.7 percent, in the first half of 2011, according to Marcus and Millichap’s third quarter *Office Research Market Update* for San Francisco. Effective rents increased 4.4 percent during the same period, climbing to \$31.05 per square foot during the second quarter.

The increase of high-paying technology jobs isn’t just helping fill vacant office space, though, it’s helping stabilize the retail market, too—especially near tech-related hubs, according to Marcus and Millichap’s third quarter *Retail Research Market Update*.

Metro-wide vacancy remained at 3.8 percent in the first half of 2011—unchanged from year-end 2010, but decreased “40 basis points from the corresponding period one year ago,” according to the report.

The apartment market is also improving, thanks to the influx of high-tech jobs in the area, with vacancies dropping to 3.8 percent

THE INCREASE OF HIGH-PAYING TECHNOLOGY JOBS IS FILLING VACANT SPACE AND STABILIZING THE RETAIL MARKET IN SAN FRANCISCO.





THOUSANDS
OF HIGH-TECH
JOBS HAVE
BEEN CREATED
IN THE PUGET
SOUND REGION
OF SEATTLE.



in the second quarter and effective rents increasing 4 percent during the 12 months ending in the second quarter, to \$1,740 per month, according to Marcus and Millichap's third quarter *Apartment Research Market Update*.

"The Bay area has seen positive job formation, particularly in high-tech," said Jim Arce, CPM, executive managing director and head of investor services for the U.S. with Cushman and Wakefield in San Francisco. "The market is returning to some semblance of normalcy, although there is still some uncertainty out there."

SEATTLE'S BEST

While Seattle might not be seeing as dramatic of a pickup in activity as San Francisco, thousands of high-tech jobs have been created in the Puget Sound region—causing major technology players in the area like Microsoft and Amazon to expand their spaces or smaller startups to begin leasing space, according to Jones Lang LaSalle's *High-Tech* report.

Medical and Bio-Life Sciences tenants are also driving growth, said John Mullally, CPM Candidate, managing member of Mullally Development Company. Dendreon and Institute for Systems Biology are two examples of such tenants helping to absorb space, according to Marcus and Millichap's third quarter 2011 *Office Research Market Update* for Seattle.

As a result, office market condi-

tions have improved—particularly in the Central Business District and urban areas with transportation and modern spaces where young talent desires to work. Office vacancy decreased 80 basis points in the second quarter of 2011 alone, to 15.6 percent, while effective rents increased only slightly by .3 percent to \$22.66 per square foot, according to the Marcus and Millichap report.

"We used to live and die by what Boeing did," Mullally said. "Now, Boeing affects the economy, but Microsoft and Amazon and all these other tech and medical companies have a bigger influence. It's good to have businesses spread out among different industries."

With the addition of more than 23,000 jobs in the first half of 2011, both retailers and multifamily investors have been attracted to the Seattle market. Retail landlords raised effective rents and refused concessions in the second quarter for the first time since the recession, according to Marcus and Millichap's third quarter *Retail Research Market Update* for the area.

Mullally, who works in the multifamily sector, said his properties are performing much better than they did in 2010, with 97 to 98 percent occupancies, a more qualified applicant pool and slight increases in rental rates. He also said that national multifamily housing investors are showing interest in Seattle.

"If I was to speculate, I'd say these big investors coming in from out-

side the area are thinking there is growth in the tech and medical industries, and these employees have to live somewhere," he said.

HOME BASE

Ultimately, the high-tech services industry only makes up 1.7 percent of total employment, helping to explain why it hasn't positively influenced the entire U.S. economy, according to Jones Lang LaSalle's *High-Tech* report.

Still, it highlighted that high-tech jobs are increasing at a faster pace than traditional office-using sectors, especially in concentrated markets like those in the Northwest—effectively increasing office demand in the region.

Further, Yasukochi said that consumer appetite for all things "techy," like gadgets, apps and new media, and demand for business applications, like cloud computing, aren't likely to subside, so growth in the technology industry and affected real estate markets will continue. ■

KRISTIN GUNDERSON HUNT IS A CONTRIBUTING WRITER FOR *JPM*®. IF YOU HAVE QUESTIONS REGARDING THIS ARTICLE OR YOU ARE AN IREM MEMBER INTERESTED IN WRITING FOR *JPM*®, PLEASE E-MAIL MARIANA TOSCAS AT MTOSCAS@IREM.ORG.



SNAPSHOT

CORPORATE HEADQUARTERS
Plymouth, Minn.

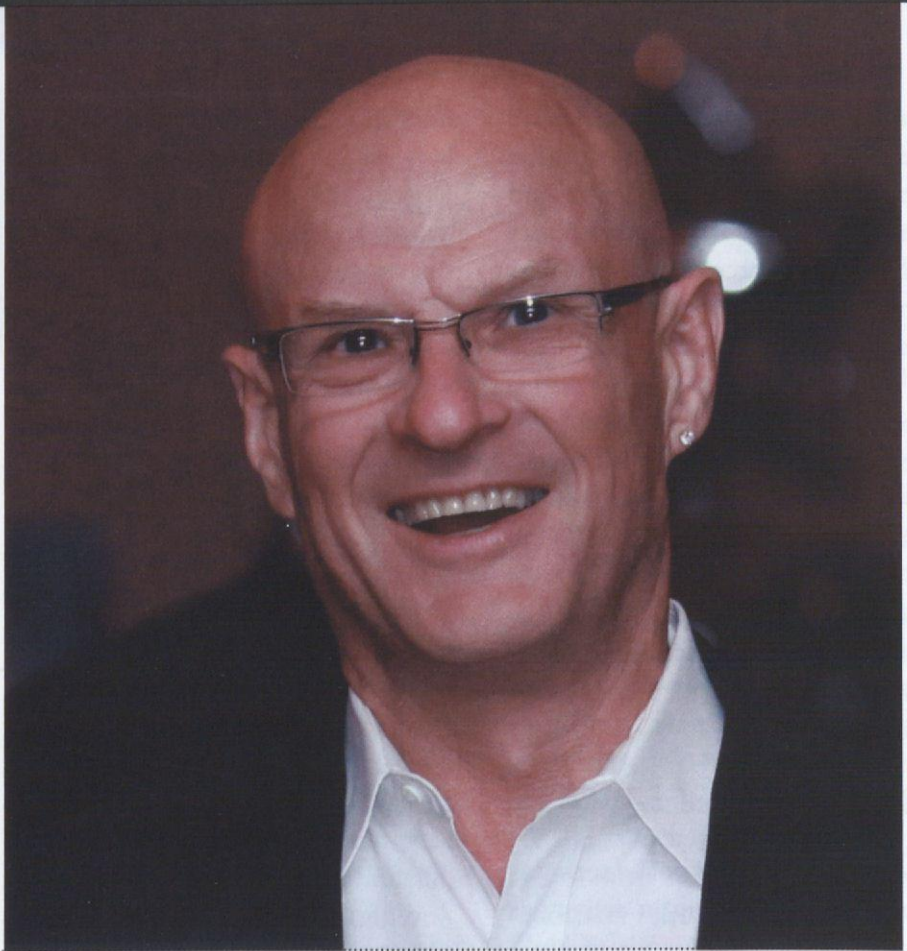
EXECUTIVE CPM
Jerry L. Sovell, CPM

NUMBER OF EMPLOYEES
850

COMPANY WEBSITE
www.dominiumapartments.com



DOMINIUM



FOLLOWING IS AN EXCLUSIVE INTERVIEW WITH JERRY L. SOVELL, CPM, EXECUTIVE CPM OF DOMINIUM MANAGEMENT SERVICES, INC., AMO.

■ Describe the “Dominium Difference.”

For our investors and partners, it means working with a proven, experienced organization that understands the principles of solid investment and multifamily management.

For our residents, it means choosing an apartment home that is well maintained by professional, respectful, well-trained staff who understand what is important to our customers.

For our employees, it means working with an organization that values professional growth and advancement, recognizes accomplishments and encourages work/life balance.

■ As your portfolio grows, how have your employees contributed to and strengthened your vision?

Our employees recognize that change is not only inevitable but necessary in order for growth to take place. Our leaders are in constant communication with employees so they understand the need for change and new policies, and they recognize the site-level employee contributions that help lead to the company’s continued success. In addition, home office and site employees are willing to travel and assist at property takeovers, train



and mentor new employees, and actively work to meet the goals set by ownership.

Over the past several years, we have focused on becoming much more process oriented, both in the home office and at individual sites. We have always had policies and procedures, but we didn't have full compliance. We identify and put key processes in place, measure compliance and report on the results company wide. Employees are provided a clear road map—when they follow it, so does their success.

■ **Dominium is rated “number nine” on the 2011 *Affordable Housing Finance* list of “Top 50 Owners.” How have you maintained success during tough economic times?**

During tough economic times, the company owners have been proactive by making difficult decisions regarding salary freezes, workforce reduction and financial goals. Those decisions were communicated directly by the owners to employees at all levels, and outlined the reasons for their decisions and the owner's commitment to review them quarterly. We set specific goals and provided employees with a clearly defined objective to work toward, versus a “let's hope for the best” attitude. As a result, our employees consistently meet—and often exceed—the goals set for them.

In terms of managing real estate, we forecast market conditions and their impact on operations and we use that forecast to implement company-wide strategies. In today's market, we have our foot firmly on the gas pedal. The market is allowing rent increases and we endeavor to leave nothing on the table. At other times, we have

ratcheted back expenses to maintain value. Regardless of the strategy, well-maintained and well-managed properties are always a priority.

■ **Dominium specializes in project and residential compliance under various governmental programs such as Section 8, FMHA 515, public housing, state agency-funded properties and Section 42-Low Income Housing Tax Credit (LIHTC) properties. What trends have you seen in this sector of the market and/or how have you repositioned these properties?**

We are proactive and stay on top of the changes in markets and within programs. As home ownership became a viable option for affordable renters, Dominium's owners recognized the need to increase marketing and outreach, and enhanced the quality and quantity of materials. In addition, we educate our renters on the true costs of home ownership, which in many cases, renters are not prepared for. As the credit market imploded with many homeowners unable to meet their mortgage payments, we looked at how foreclosures would impact credit scores and adjusted our credit screening criteria for homeowners returning to the rental market.

As affordable housing properties age, and the need to compete with struggling market rate properties increases, ownership recognizes the need to upgrade unit interiors and complete capital projects to help affordable properties compete and attract their share of renters.

■ **Dominium has been in business for over 35 years. What's the secret to your success?**

We are not afraid to take risks; however, we use a methodical, careful approach when acquiring real estate, and we stand behind our transactions. We maintain our properties, value our relationships with vendors, recognize strong performers and continually focus on best practices. We make sure all properties have the funds needed to succeed. In terms of managing properties, the secret to success is defining and implementing effective strategies and holding employees accountable for results. ■

“For our employees, it means working with an organization that values professional **GROWTH AND ADVANCEMENT**, recognizes accomplishments and encourages **WORK/LIFE BALANCE.**”



AMERICANS WITH DISABILITIES ACT

2010 Standards are Changing

BY IREM LEGISLATIVE STAFF

TO MARK THE 20TH ANNIVERSARY OF THE ADA, IN 2010, THE DEPARTMENT OF JUSTICE ISSUED FINAL LANGUAGE ALTERING THE ADA REGULATIONS.

We anticipate that there will be a potential increase in media coverage and lawsuits in conjunction with the changes to the ADA in the coming months. These new standards go into effect in March 2012, and may affect IREM Members. It is important that real estate managers and commercial real estate investors research the new revisions, including any and all pertinent regulations. In particular, practitioners should pay close attention to the regulations dealing exclusively with accessibility issues at already-existing or soon-to-be renovated properties. New construction will be held to the tightest standards of ADA regulations and will need to comply with all regulations. There are three main phases of compliance with the ADA changes: barrier removal, new construction and alterations.

One particularly important section of the new regulations is the accessibility standards and the increased emphasis on “barrier removal” standards for hotels, office buildings and other commercial properties.

PHASE I OF ACCESSIBLE DESIGN—BARRIER REMOVAL:

This applies to all public buildings and facilities and requires the removal of all physical barriers in existing properties, including communication barriers, regardless of when the building was constructed. Structural changes and barrier removal—including installing ramps, railings and grab bars in restroom stalls—must be done where it is “readily achievable” and easily accomplishable, without much dif-

iculty or expense to the company. Communication changes include adding raised letters, or Braille, and fire-warning signals and devices for the hearing impaired. Essentially, the ADA wants first priority to go to certain obstacles that prevent the disabled to “get in the front door.”

PHASE 2 OF ACCESSIBLE DESIGN—NEW CONSTRUCTION:

This applies specifically to newly constructed properties built between September 15, 2010 and

March 15, 2012, in accordance with the 2010 Standards. These buildings are to comply with the most comprehensive requirements of the Americans with Disabilities Act Design Guidelines.

PHASE 3 OF ACCESSIBLE DESIGN—ALTERATIONS:

This applies to significant renovations (projects of significant cost and often over a period of several years) to a facility of public accommodation made between September 15, 2010 and March 15, 2012, in accordance with the 2010 Standards. These buildings will be required to achieve compliance at the same level as new construction. It is important to note that the actual start of the construction or renovation does not include the ceremonial groundbreaking; actual construction must have taken place.

ALTERATIONS TO ADA 2010 STANDARDS

After the revisions to the ADA 2010 Standards were adopted, there were several changes that took place regarding accessible design and construction features.



THESE NEW STANDARDS DEAL WITH THE ACCESSIBILITY STANDARDS TO PUBLIC PROPERTIES UNDER TITLE III OF THE ADA, INCLUDING HOTELS, RETAIL SPACE, COMMERCIAL REAL ESTATE, MUSEUMS, SHOPPING MALLS AND NUMEROUS OTHER FACILITIES.

A few are detailed below:

- Power-driven devices now include Segways and similar devices. They must be permitted unless the device interferes with a service provider’s program or threatens the safety of others.
- Disabled persons must be able to make reservations at a hotel or resort during the same hours as a non-disabled person. This means that there must be sufficient information available to disabled persons, specifically via website, so that such persons can find a room to meet their specific needs. Websites must also be updated to comply with these changes.
- Service animals, including dogs and miniature horses, must be trained to provide specific assistance. These animals cannot have the sole purpose of providing “emotional support” (Note: the Fair Housing Act has broader definitions of service animals, including animals that do provide “emotional support”).
- Accessible routes must be in the same area as the other passage paths.
- Pools must have an accessible path of entry. This may require businesses to supply lifts, construct a sloped entry or provide transfer walls.

BARRIER REMOVAL OF ALTERATION REQUIREMENTS

The 2010 Standards augment the barrier removal regulations subject to safe harbors. Certain elements that have not already been changed on or after March 15, 2012, and that comply with the corresponding requirements in the 1991 Standards, do not need to be altered to comply with the requirement of the 2010 Standards.

The new ADA 2010 Standards have undergone much interpretation and scrutiny in recent months. Twenty years ago, it was presumed that the 1991 Standards would force buildings to comply as they engaged in major renovations; however, it seems that many structures were never subject to the alterations.

We encourage all members to read and understand the regulations so they may be protected. For more information, and to read the language, please visit www.ADA.gov. ■

COMPLIANCE DATES FOR BARRIER REMOVAL:

Before March 15, 2012: Elements that do not comply with the established requirements in the 1991 Standards must be adopted if readily achievable. (ADA 1991 or 2010 Standards)

On or after March 15, 2012: Elements that do not comply with the established requirements in the 1991 Standards, or that do not comply with the additional technical requirements to the 1991 Standards, must be adopted if readily achievable. (ADA 2010 Standards)

Elements not altered after March 15, 2012: Elements that comply with the requirements of the 1991 Standards that do not need to be altered for the 2010 Standards. (Safe Harbor)

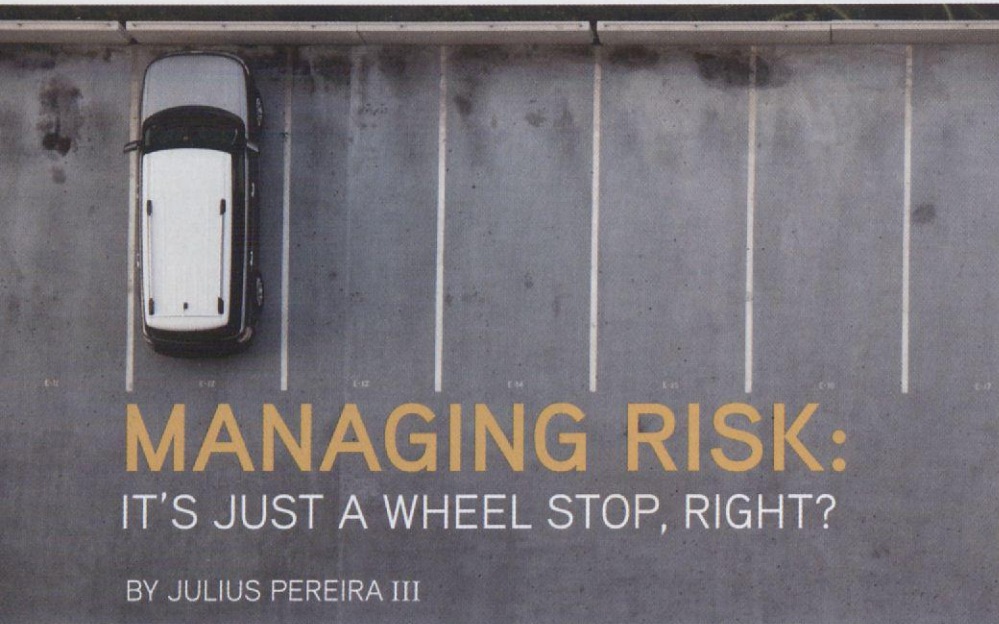
COMPLIANCE DATES FOR NEW CONSTRUCTION AND RENOVATIONS

On or after January 26, 1993, and before September 15, 2010. *Building permit application must have been submitted before September 15, 2010.* (1991 Standards)

On or after September 15, 2010, and before March 15, 2012. *Building permit application must have been submitted on or after September 15, 2010.* (1991 Standards or 2010 Standards)

On or after March 15, 2012. *Building permit application must have been submitted on or after March 15, 2012.* (2010 Standards)

IF YOU HAVE ANY QUESTIONS REGARDING THESE ISSUES, PLEASE CONTACT BETH PRICE, THE LEGISLATIVE LIAISON FOR IREM HEADQUARTERS IN CHICAGO, AT BPRICE@IREM.ORG OR (800) 837-0706 EXT. 6021.



MANAGING RISK: IT'S JUST A WHEEL STOP, RIGHT?

BY JULIUS PEREIRA III

GREAT FOR CARS, NOT SO GREAT FOR PEDESTRIANS

Wheel stops—sometimes referred to as tire stops or parking bumpers—are solid, elongated blocks made of concrete, wood, plastic or recycled tires, typically held in place by spikes, screws or pieces of metal reinforcing bars. It is likely you will find wheel stops used on your property. When used properly, a wheel stop is centered across the width of the parking space so it is covered by a vehicle that pulls into the parking space and contrasts with its surroundings under foreseeable lighting conditions. Designed to impede vehicular movement in parking spaces, wheel stops have a number of benefits associated with managing vehicular movement in parking lots; however, if not maintained properly, they can become a pedestrian trip and fall hazard.

PAINT IT YELLOW

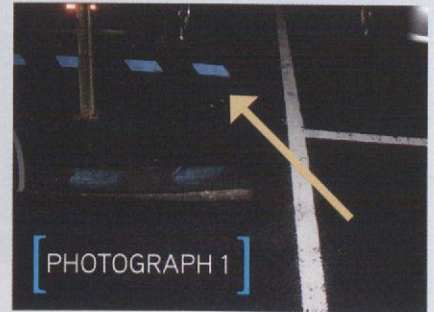
Wheel stops can be purchased in color or painted options. Wheel stop conspicuity is especially critical in dimly-lit, nighttime conditions. Wheel stops painted darker colors, such as gray or blue, may blend in with their surroundings at night, so reviewing them under the foreseeable lighting conditions before installation can help determine if they are reasonably conspicuous. Consider the color yellow, which not only provides contrast with the adjacent pavement, but is a color universally recognized as meaning caution.

MANAGE YOUR RISK

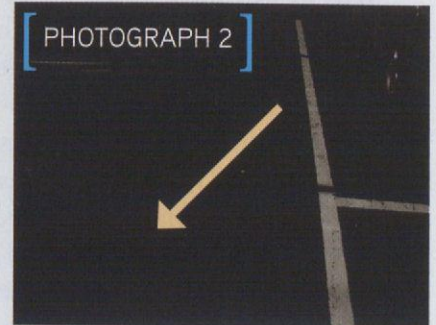
As a result of this incident, the wheel stops and the sign posts (in the adjacent case study) were removed and bollards were installed. Don't wait for an injury and a lawsuit to occur before putting preventive measures into place. Even if conditions cannot be changed, you can identify and address the situation with the owner in order to manage risk and liability. ■

CASE STUDY

THESE PHOTOS ARE FROM A REAL TRIP-AND-FALL INVESTIGATION.



WHEEL STOP ILLUMINATED BY HEADLIGHTS.



WHEEL STOP ILLUMINATED ONLY BY THE ADJACENT POLE LIGHT.

YOU CAN SEE THE SHADOWS CAST BY THE CARS AND THE SIGN POST, BUT NOT THE REFLECTORS. THE SHADOWS CAST BY THE ADJACENT CAR ON THE WHEEL STOP COULD EASILY IMPAIR A PEDESTRIAN'S ABILITY TO IDENTIFY THE WHEEL STOP AT NIGHT.



JULIUS PEREIRA III
(JULIUSPEREIRA@COMCAST.NET)
IS THE OWNER OF PEREIRA CONSULTING IN CHADDS FORD, PA.



"APP" SOLUTELY KOOL

The KoolApp refrigerant converter mobile app, available free of charge through Danfoss, is an essential tool for HVAC-R professionals. The KoolApp literally turns your iPhone or iPod Touch into a user-friendly and accurate pressure-to-temperature refrigerant converter.

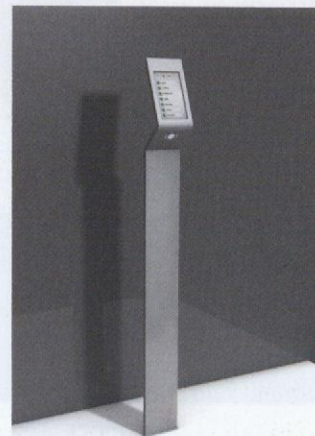
No matter where you are, you can choose to enter the exact figures or use the slide ruler in order to get precise and accurate figures and conversions, including refrigerant data in Celsius, Fahrenheit, bar and psi. Refrigerant data includes the global warming potential (GWP), ozone depletion potential (ODP), critical temperature and boiling point.



SMART PORT

The innovative PORT (Personal Occupant Requirement Terminal) elevator technology, available through Schindler Elevator Corporation, is a third-generation destination dispatch system, particularly for high-rise elevators. The PORT Technology—best understood as the central nervous system of a building—functions as a two-way communication interface between occupants and the environment, ensuring elevator trips are as energy-efficient as possible, particularly in heavy-traffic areas. In addition, the PORT terminal's proximity sensor can tell when to be active and when to go into low energy-consumption mode, and the ambient light sensor determines the brightness level needed, optimizing energy usage.

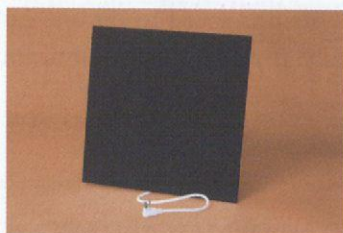
communication interface between occupants and the environment, ensuring elevator trips are as energy-efficient as possible, particularly in heavy-traffic areas. In addition, the PORT terminal's proximity sensor can tell when to be active and when to go into low energy-consumption mode, and the ambient light sensor determines the brightness level needed, optimizing energy usage.



LIFE IMITATING ART

Radiant Artwork, available through Prestyl, is heating up homes, offices, hospitals and restaurants everywhere. These eco-friendly, energy-saving and customizable thin-film heaters don't heat up the air; rather, they use infrared technology to cause energy to be reflected by some surfaces and absorbed by others, creating a balanced, multidirectional heating experience. Far-infrared radiant heat distribution is also silent and will not cause convection or air movement. This innovative technology also prevents moisture buildup, which reduces and eliminates mold.

Radiant panels can be wall- or ceiling-mounted—requiring no plumbing or air-ducts—and can be plugged into normal outlets. Installation is as easy as hanging a picture.



activated through its push plate, which mounts directly on any flat wall surface—or configured for wireless operation. The LPR-36 is easy to install over single- and double-gang boxes and on commercial bollards, and has only two mounting screws that can be accessed without removing the face plate. It can also be constructed from weather-resistant stainless steel and is clear powder-coated to repel finger prints. ■

THE MAGIC TOUCH

The new One-Touch Door Activation LPR-36, available through BEA, is a low-profile, door-activated push plate designed to provide easy access to people with disabilities and those using mobility products or carrying medical equipment.

The LPR-36 can be hard-wired—

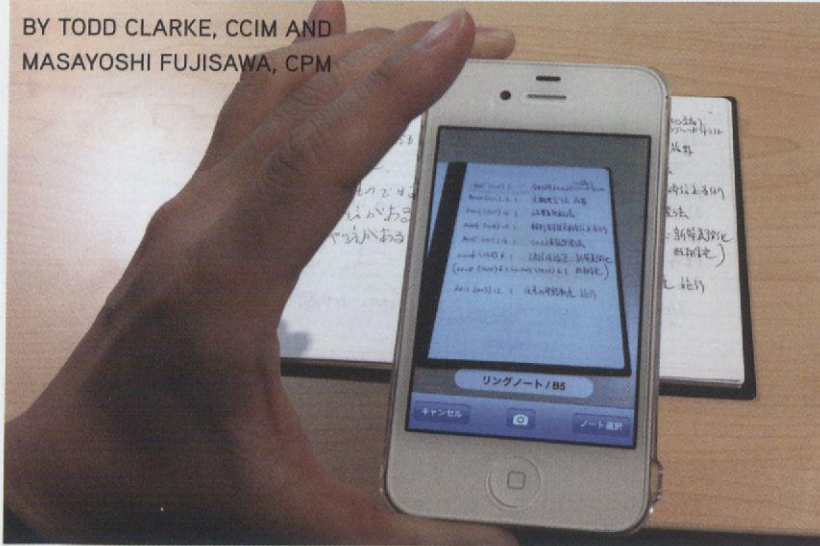




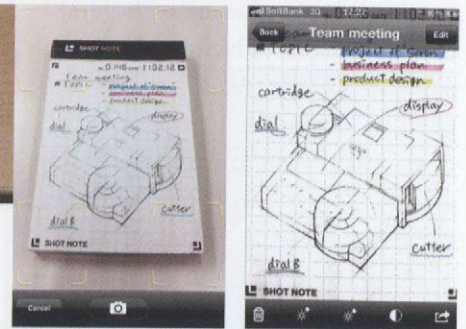
SHOT NOTE: A VIRTUAL PEN AND PAPER



BY TODD CLARKE, CCIM AND
MASAYOSHI FUJISAWA, CPM



SAVE,
SEARCH
AND SHARE
YOUR
HAND-
WRITTEN
NOTES AND
SKETCHES



“As you can see in the picture, you simply take a picture of the notebook using these applications which adjust the picture so it will fit the screen just right, even if you take it from a skewed angle. Memos saved in iPhone can be browsed either chronologically or categorically. If you name a memo, you can search it at a later time.”

— Masayoshi “Mark” Fujisawa, CPM

book format—and now I have the best of both worlds as I can map out the latest idea or business plan and store it in my iPhone, syncing it with Evernote, which then updates on my desktop, laptop, iPhone and all of my devices. Even better, Shot Note will convert my hand-written notes into digital text that can be indexed, searched and categorized.

Shot Note memo pads are currently available through Amazon.com and other office supply stores for \$12.95. The Shot Note app is available for free through the iTunes App Store. ■

I recently had the honor to teach a CCIM course in Tokyo for IREM Chapter No. 110. During the course, I made a number of new friends, including IREM instructor, Masayoshi “Mark” Fujisawa, CPM.

Knowing my passion for technology, Mark was kind enough to share with me a new app, called Shot Note. Shot Note is a hardware/software combination bringing together a notebook and an app that work simultaneously to record your notes and sketches onto your iPhone, iPad and iPod Touch. It's like a virtual notebook.

SAVE, SEARCH AND SHARE

The beauty of the Shot Note app is that you can have the freedom and familiarity of using your pen and paper, with the organizational and sharing capabilities of a Smartphone.

Although I always have my iPhone and iPad with me, I often end up in places where note taking is just more convenient in a note-

MASAYOSHI “MARK” FUJISAWA, CPM, (MFUJISAWA@OWNERS-AGE.COM) IS A MEMBER OF THE IREM FACULTY AND IS THE PAST PRESIDENT OF IREM CHAPTER NO. 110 IN TOKYO.



TODD CLARKE, CCIM, (TCLARKE@NMAPARTMENT.COM) IS CEO OF NM APARTMENT ADVISORS IN ALBUQUERQUE, N.M.

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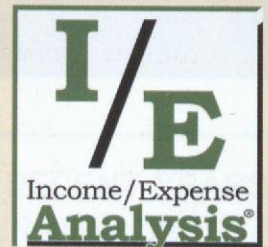
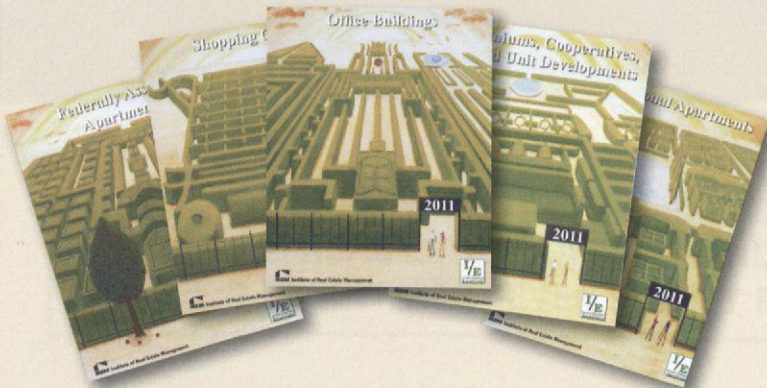
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VACANCY/DELIN. RENTS	4.04	5.80	5.85	1.95	2.38	3.24	3.00	1.79	0.85	0.93	1.51	0.00
TOTAL COLLECTIONS	22.53	24.70	23.24	24.53	21.38	20.84	20.62	24.84	24.61	22.08	19.26	0.00
HTG/ENR & AC REPAIRS	0.07	0.12	0.18	0.24	0.21	0.28	0.34	0.29	0.26	0.29	0.22	0.24
ELECTRIC REPAIRS	0.04	0.04	0.04	0.03	0.07	0.07	0.06	0.07	0.08	0.06	0.04	0.04
TOTAL OPERATING COSTS	9.94	6.95	6.07	4.20	8.49	6.07	8.96	6.92	6.36	7.54	6.98	6.83

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RISK

AND REWARD



BY KRISTIN GUNDERSON HUNT

THE FIGHT TO FILL VACANT COMMERCIAL REAL ESTATE SPACE IN RECENT YEARS HAS FORCED REAL ESTATE OWNERS AND MANAGERS TO CONSIDER NEW USES FOR THEIR PROPERTIES—EVEN IF THEY REQUIRE TAKING ADDITIONAL RISKS.

“**t**he tough economy has resulted in a lot of challenges—

especially vacancies,” said Janice Ochenkowski, managing director for Jones Lang LaSalle and the commercial real estate firm’s director of global risk management in Chicago. “But property owners and managers have been very creative in how to use their existing facilities.”

Traditional retail stores have been transformed into everything from medical office space and churches to fitness centers and breweries. In addition, special events and pop-up stores are more commonplace; traditional office spaces have been converted to daycare centers; industrial warehouses are being used as practice facilities for youth baseball teams; and the list goes on.

“From a risk management perspective, these new uses can bring new challenges,” Ochenkowski said. “However, it is the primary goal of the risk manager to support the business, which means we need to be more creative in the way we deal with these risks.”

DUE DILIGENCE

The risks associated with new-use tenants are as varied as the tenants themselves.

First and foremost, certain tenants could present additional life safety risks, said Jeffrey Shearman, a Pittsburgh-based senior risk engineering consultant and real estate industry practice leader for commercial insurance provider, Zurich.

For example, restaurant tenants create increased exposure to fire; church and/or educational institutions might spur egress concerns because they encourage large gatherings in spaces formerly used for different occupancy; and hazardous waste can be a risk with some medical tenants.

“You have to recognize that certain types of work are going to create certain types of hazards,” Shearman said.

Beyond life safety risks, certain tenants might be more susceptible than previous tenants to codes and regulations imposed by state or federal laws, such as licensing regulations for daycares or American Disabilities Act requirements for medical tenants, said Pat Pollan, CPM, principal at Pollan Hausman Real Estate Services in Houston.

New-use tenant risks don’t stop there: financial risks also exist. Replacing a unique tenant with a similar occupant after the lease expires can be difficult—a particular concern if a lot of money was spent customizing the space for an alternative use.

“It’s not just the risk of liability, it’s the risk of the tenant going out of business and losing any money you put into the tenant, or its space, and not being able to recoup that,” Pollan said.

Flight of other tenants from the property—disgruntled either by the type

“DON'T BE AFRAID TO THINK ABOUT WHAT THE RISKS ARE. DO THE ASSESSMENT HONESTLY. JUST BECAUSE THERE IS A HIGHER RISK DOESN'T MEAN YOU HAVE TO WALK AWAY.”—JANICE OCHENKOWSKI, JONES LANG LASALLE



PHOTOGRAPH © ILLUSTRATION IMAGES/CULTURA/GETTY IMAGES

THE MOST
IMPORTANT
ASPECT IS
TO ENSURE
THE TENANT
HAS A
VALID CERTIFICATE
OF INSURANCE
WITH A PROPER
ENDORSEMENT
TO THE POLICY,
DEFINING THE
LANDLORD
AS AN
ADDITIONAL
INSURED
PARTY.

of new-use tenant or the adverse effects on their business because of the new tenant—can also cause financial strain if landlords struggle to renew leases, said Beau Beery, CPM, CFO of Coldwell Banker M.M. Parrish and president of its commercial division in Gainesville, Fla.

“If you bring in one tenant that doesn’t play nice or isn’t what [the tenant] promised to be, you could lose other tenants,” Beery said.

To realize a potential tenant’s risks, owners and managers must firmly grasp the tenant’s business, its operations and its customer base, said Bob Smith, global property risk consulting practice leader for Marsh Risk Consulting, a unit of Marsh Inc.

“As the owner [or manager] of a building, it is prudent to understand the business you’re moving in and whether it increases or reduces the risk to your assets and other tenants already in the space,” Smith said. “If owners don’t do their due diligence, they could be held accountable in the event something goes wrong.”

Due diligence involves acquiring information about the equipment and materials tenants use, understanding operations needs, like water usage or ventilation requirements, noting storage needs, obtaining references from



PHOTOGRAPH BY THOMAS BARWICK/STONE/GETTY IMAGES

other landlords and observing tenants' operations at other locations—even if it's just to find the simplest snafus that could disrupt a property.

"Don't be afraid to think about what the risks are," Ochenkowski said. "Do the assessment honestly. Just because there is a higher risk doesn't mean you have to walk away."

LEASE LANGUAGE

To adequately address risk when leasing to an untraditional tenant, property owners and managers might consider enlisting the help of their insurance company's risk management department or even local authorities like the fire department, all of which can help ensure compliance with codes and regulations, Shearman said.

"Don't look at the various authorities as enemies, but as partners," he said. "Getting them involved early in the game can be helpful."

SPECIAL EVENTS AND POP-UP STORES
ARE MORE COMMONPLACE;

TRADITIONAL OFFICE SPACES HAVE BEEN
CONVERTED TO DAYCARE CENTERS;
INDUSTRIAL WAREHOUSES ARE BEING
USED AS PRACTICE FACILITIES FOR
YOUTH BASEBALL TEAMS...

AND THE LIST GOES ON.

When Houston Community College filled two floors of a traditional downtown office building with a massage therapy school and continuing education classrooms, the space had to be modified. In particular, a substantial number of restrooms were added because of code requirements, according to Pollan, who represented the tenant in the lease deal.

Similarly, when Beery slated a church to fill 10,000 square feet of a property traditionally used for retail, the space's use had to be changed for the purpose of "assembly," which meant stricter fire code standards. Beery added additional fire alarms, another means of egress, and other safety mechanisms.

While owners and managers should be aware of such regulations and enforce them, they should also transfer the risks relating to such regulations to the tenant, Pollan said.

"Put the onus back on tenants to provide you with the information to make sure they are meeting regulations," he said.

Transferring such risk, as well as mitigating the ad-

ditional risks that come with a new-use tenant, can often be achieved with a solid lease.

"Find out what the tenant's operation is all about and any additional hazards it may present, and address them in the lease language," said Alex Glickman, area vice chairman, managing director and practice leader for Gallagher Real Estate and Hospitality Services in Glendale, Calif.

Shearman said lease language should be explicit. The responsibility of each party—on issues ranging from financial obligations and waste removal, to building access and security, to insurance requirements and "use" clauses—should be identified.

When Beery moved a dentist into a multi-tenant retail center several years ago, he had the foresight to negotiate that the tenant improvement costs be amortized over the initial lease term—not the initial term plus renewal options.

This helped ensure that when the dentist moved out, Beery wasn't stuck with a customized medical office in a retail center along with hefty tenant improvement costs and no other potential dental tenants in sight.

"The best way to protect yourself is to have a clear-cut delineation of what tenants can and can't do in the lease," Shearman said.

COVER YOUR ASSETS

Although risks and leases may change substantially with a new-use tenant, a property owner's actual insurance coverage may not change at all, both real estate and insurance experts said.

Regarding insurance, they said

“DON'T LOOK AT THE VARIOUS
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—JEFFREY SHEARMAN, SENIOR RISK ENGINEERING CONSULTANT, ZURICH

IN THE LOOP

Making such assurances about risk and insurance, though, can be difficult—especially for smaller commercial real estate firms lacking a formal risk manager. In such instances, Madden said brokers or insurance agents can be outsourced risk managers.

“Don't use insurance brokers or agents just to place insurance, but rely on them as risk managers—to identify, manage and transfer risks,” he said. “Risks continue to change and it can be difficult to keep up. Brokers and agents are aware of what is current, what their [clients'] peers are getting and what industry standards are.”

Ochenkowski said it's always wise to keep insurance companies and brokers informed of changes in use because they will likely be able to provide insight into the standard risks and responsibilities of such a tenant, which can then be used to develop solid leases and risk management practices.

Beery said keeping the insurance team in the loop is another way to mitigate risk.

“It's in our best interest to be open with all of our vendors, especially our insurance guys, on any change of use,” Beery said. “In the event of something happening, we want our stream of income to continue, and if the insurance is there, we're protected.” ■

KRISTIN GUNDERSON HUNT IS A CONTRIBUTING WRITER FOR *JPM*®. IF YOU HAVE QUESTIONS REGARDING THIS ARTICLE OR YOU ARE AN IREM MEMBER INTERESTED IN WRITING FOR *JPM*®, PLEASE E-MAIL MARIANA TOSCAS AT MTOSCAS@IREM.ORG.

the most important aspect is to ensure the tenant has a valid certificate of insurance with a proper endorsement to the policy, defining the landlord as an additional insured party.

Beyond verifying certificates of insurance, property owners and managers must decide on a case-by-case basis whether they should tweak their insurance programs or require tenants to buy additional coverage on top of standard general liability policies.

“It's up to the landlord to understand what the exposures are,” Glickman said. “They need to make sure insurance is adequate and appropriate.”

Environmental, professional liability and special event insurance are the main categories owners and managers might explore depending on the new-use tenant's risks, said Kevin Madden, national real estate practice leader for Aon Risk Solutions in New York.

Environmental insurance can offer protection for tenants who might generate pollution, like nail salons and dry cleaners creating odors, or medical tenants generating hazardous waste.

Professional liability insurance should come into play if the tenant is providing a special service whereby the landlord could be vicariously liable. Daycare centers, fitness centers and medical tenants are ideal candidates for professional liability insurance.

Special events insurance elicits short-term policies, written specifically for high-hazard exposures, like a fireworks display or a temporary amusement park in the parking lot.

For temporary stores or kiosks that might be run by small or family-owned entities not typically carrying insurance, a landlord can invest in a group program for a nominal fee and the tenants can pay into it cheaply.

“Make sure that for the risk being taken, the proper insurance, coverage and deductibles are being secured,” Madden said.

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TROUBLED PROPERTIES

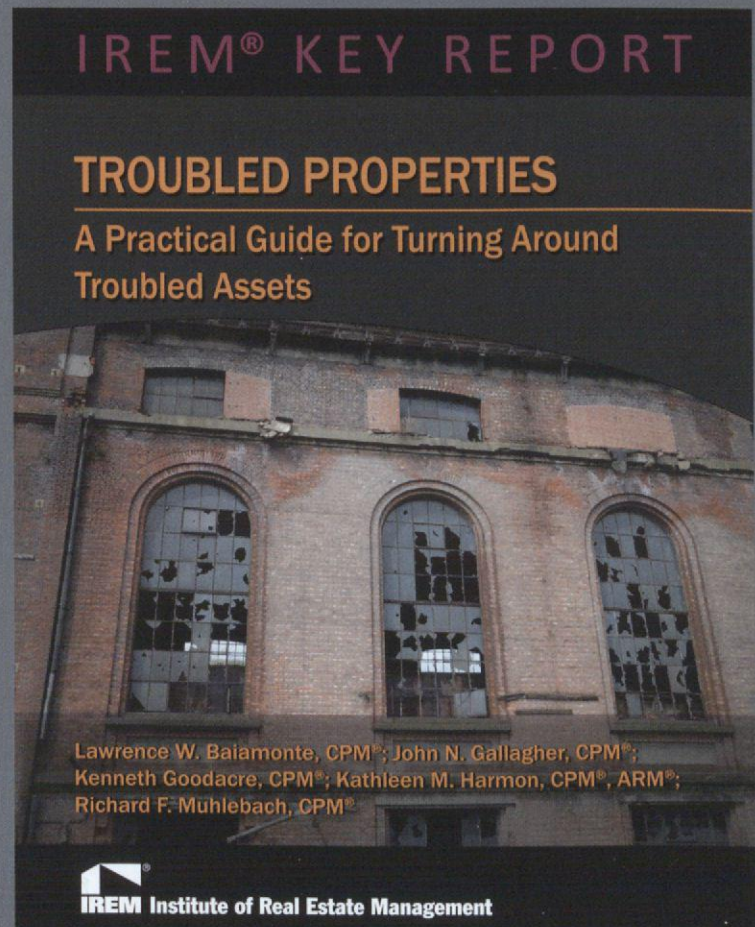
A PRACTICAL GUIDE FOR TURNING AROUND TROUBLED ASSETS

Turning around a troubled property ranks among the greatest challenges that real estate managers will encounter in their career. While there is no one-size-fits all template for managing troubled properties or working as a consultant, this Key Report provides solutions and a frame of reference for some of the most common challenges. It will also help you build a comprehensive understanding to evaluate and resolve troubled assets for both residential and commercial property types. And check out the in-depth case examples that present scenarios, examine potential problems, and provide solutions for turning around troubled properties.

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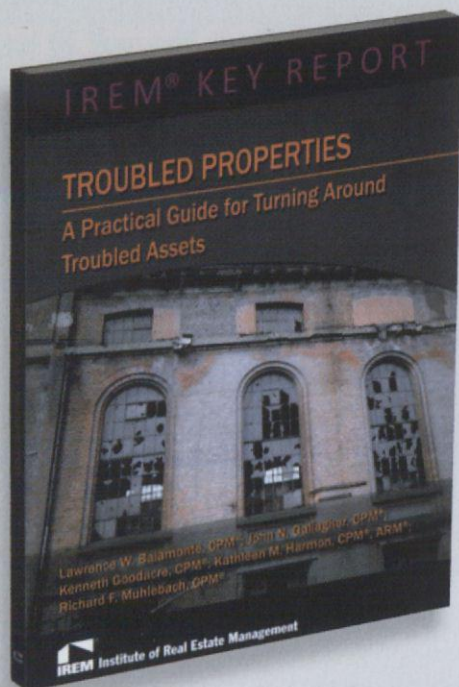
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TROUBLED PROPERTIES



[EXCERPT]

SECTION 10: RESIDENTIAL AND COMMERCIAL TENANT RETENTION

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A VIDEO OF CO-
AUTHOR RICHARD
F. MUHLEBACH,
CPM, DISCUSS
THE KEY REPORT.



THE FOLLOWING IS AN EXCERPT FROM THE NEW IREM KEY REPORT, *TROUBLED PROPERTIES*, BY LAWRENCE W. BAIAMONTE, CPM; JOHN N. GALLAGHER, CPM; KENNETH GOODACRE, CPM; KATHLEEN M. HARMON, CPM, ARM; RICHARD F. MUHLEBACH, CPM.

A troubled asset simply cannot support itself with the income it produces; it became troubled usually as the result of a high physical or economic vacancy. The local market has been unable to support the required rent levels; fewer tenants sign leases and those who did may have benefited from substantial discounted rents, or the property may have been refinanced, and with the market conditions, the property may be worth less. In an attempt to increase occupancy for the building or shopping center, deals may have been arranged with tenants at lower rates or with concessions that leave the spaces physically occupied—perhaps even fully occupied—while producing little or no rental income.

As the property became troubled, property operations, services and staff size may have been reduced, and maintenance requests could have been ignored. The tenants may feel angry, abandoned and mistreated. Finding new tenants becomes a main concern, but it's essential to contact and restore a level of trust with the ones that remain. Most real estate managers and owners agree that retaining those residents and tenants in place, as well as attaining new ones, are key factors for turnaround.

THE FOUNDATION FOR TENANT RETENTION

As the real estate manager of a troubled asset, you have the difficult job of communicating to your tenant customers that they are valuable. As previously mentioned, the tenants you will encounter when working with a troubled asset will already be unhappy with their situation. Although you were not the cause of the tenants' dissatisfaction, a customer left in a difficult situation needs to hear an apology, which is

also the foundation for gaining trust and essentially retaining tenants. Be aware of this simple action of offering an apology, and discuss it openly with your staff. Explain to them how important this is to re-establish a positive relationship with residents and tenants. Talk about the need for a solid retention program upon which to build higher occupancy. Finally, help your staff to get comfortable with saying the following words in their own natural way: “I am so sorry for the problems you have experienced in the past, but please know that we are dedicated to restoring your confidence in your decision to rent here.”

As previously mentioned, your tenants should be treated like customers in any other business. Customers appreciate seeing the involvement of management, which should be more apparent when working with a troubled property. For residential properties, there are many ways to catch attention and dazzle residents to establish relationships, but it’s important to keep in mind that some gestures are fleeting. Although offering complimentary beverages or refreshments to residents and tenants is impressive, a one-time gesture can be seen as insignificant and quickly forgotten. Find different ways to reiterate that management cares in order to restore customer’s trust—the true foundation for retaining tenants.

TRAINING STAFF TO HELP RETAIN TENANTS AND RESIDENTS

As the front line in a troubled asset, your staff is likely to bear the burden of listening to angry customers who have many complaints—this is not a pleasant task. Just as you expect your staff to listen to tenants’ complaints, you will also need to listen, respond and empathize with your staff. By making an effort to recognize the difficulties they face, your staff will gain a stronger appreciation for their jobs and feel like valued members of your team.

Without a doubt, difficult decisions are made in the course of managing a troubled asset, but it’s important to know that your customers sometimes expect that something will break or fail to perform. Your reputation and your relationship with tenants will be built slowly on all of the “moments of truth” they experience. The sum total of these experiences will result in their decision not only to remain in place and renew their leases, but to also speak positively about the building or community to their personal network of employees, customers and friends.

USING SOCIAL MEDIA TO RETAIN TENANTS AND RESIDENTS

As previously mentioned, speaking to tenants and residents face-to-face is the best and most direct approach, however, contacting them via letters or e-mails is also effective. Reminder messages are an effective way to grab attention, getting the tenants and residents to begin thinking about renewing

their leases. It’s also helpful to post information on the company’s or property’s website to keep residents and tenants informed about the lease terms. Whether the property uses (or used) a unique website or other forms of social media (Facebook, Twitter, or LinkedIn) for posting information, it should be utilized to your advantage. In most cases, the troubled properties that you encounter might not have a unique website. You can begin by creating a basic Facebook page to form a sense of community within the property. These small efforts will help retain more tenants and residents by showing them that small efforts are being made to turn the property around.

SCHEDULING BRAINSTORM SESSIONS WITH STAFF

Each resident or tenant retention program is unique to the team that creates and implements it. One of the best ways to make tenant retention an integral part of management is to schedule regular brainstorming sessions with staff. Conduct an exercise to customize a customer retention program for your specific property. Each staff member should come to the meeting with the following questions in mind:

- What are the most common elements of dissatisfaction at the property and how are they being addressed?
- Have any positive comments been received, and if so, what were they about?
- What are some small acts of kindness that staff can perform to make a customer smile?
- If money were not an object, what would be ideal for their tenant customers? (More than 90 percent of the time, teams will recommend ideas that cost little or nothing to implement.)

You can set the stage for each brainstorm session by restating the objective of the meeting, which is to create a plan that is designed to frequently impress the residents or tenants. For an assignment, each staff member should note how customer service is uniquely delivered in the retail world and how those techniques might be adapted to the property management of their troubled asset. For the most part, these brainstorming sessions serve several purposes. Obviously, they keep the focus of the entire team on the satisfaction level of the tenants, but they also function as a way to boost morale in the office. Allowing staff to think creatively and outside the box is an excellent way to express themselves and work as a team. Both the internal and external customers derive enormous long-term benefits from these meetings, which also heavily contributes to the overall tenant and resident retention program that you initiate.

MOST REAL ESTATE MANAGERS AND OWNERS AGREE THAT RETAINING THOSE RESIDENTS AND TENANTS IN PLACE, AS WELL AS ATTAINING NEW ONES, ARE KEY FACTORS FOR TURNAROUND

CREATIVE WAYS TO IMPRESS TENANTS

As a real estate manager, it is extremely important that you make an excellent and memorable first impression, especially when working with a troubled asset. Many commercial real estate managers believe that having an open-door policy or distributing welcome gifts serves as a good introduction to tenants.

In cases of problems, simple research can be done to uncover any that are chronic. For example, if a real estate manager of a troubled ten-story office building quickly learns that the tenants were plagued by fluctuating temperatures to drastic heat, the real estate manager should take advantage of this seemingly bad situation as an opportunity to make a good impression. A creative and innovative example to reverse the negativity of this situation could be to purchase and provide ice cream treats to everyone on the property. The real estate manager could walk from office to office introducing him or herself, while explaining the extent of the problem and sharing that the staff is investigating a solution. In the meantime, the tenants could enjoy a cold treat to amend for their inconveniences.

An ice cream or beverage cart is successful because the real estate manager made the extra effort of coming to each tenant's door, rather than expecting the tenant to make the effort. By supplying tenants with cold soft drinks, lemonade, ice tea (or hot chocolate if seasonally appropriate) and taking the time to listen, the real estate manager provided a powerful way to impress the tenants. In doing so, the real estate manager also stayed true to the bottom-line message of serving tenants and residents. ■

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- [Brazil] is benefiting from **HEIGHTENED VISIBILITY** brought about by two upcoming world events: the World Cup in 2014 and the Summer Olympics in 2016 [p.63].
- John Magnuson, CPM Emeritus, honored by IREM with the Lloyd D. Hanford Sr. **DISTINGUISHED FACULTY AWARD** [p.64].
- IREM Foundation approves nearly **\$33,000 IN GRANT FUNDING** to support up-and-coming property managers [p.69].
- James A. Evans, CPM, installed as **2012 IREM PRESIDENT** [p.58].

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NEW IREM LEADERS ANNOUNCED FOR 2012

Take the opportunity to read more about the new officers and regional vice presidents who were installed at the IREM Fall Leadership Conference in San Diego, last October.

IREM OFFICER BIOGRAPHIES

PRESIDENT



James A. Evans, CPM®, is a senior executive with two companies in Grand Blanc, Mich. He is president and CEO of Bruce G. Pollock & Associates, Inc., Realtors, responsible for the commercial, residential and property management divisions of the company. He also is president and CEO of KEB Investments, a real estate development company, with responsibility for acquiring, leasing and managing all of the company's properties.

Evans earned the CPM designation in 1998 and has held numerous positions with IREM Michigan Chapter No. 5, including chapter president. Nationally, he has served as a regional vice president and as a member of several committees.

PRESIDENT-ELECT



Elizabeth H. Machen, CPM, is the President of the Charlotte, N.C.-based Machen Advisory Group, Inc., responsible for overseeing the firm's portfolio of office, retail, mixed-use, showroom and industrial properties.

Machen's expertise is far-ranging and includes property takeovers, rehabs, stabilizing properties, analyzing property performance for prospective buyers and serving on due diligence teams. She also specializes in disaster and emergency training, as well as serving as the LEED AP on several LEED projects.

Machen earned her CPM designation from IREM in 1996 and has held numerous positions with IREM Western North Carolina Chapter No. 40, where she served as president in 1999 and was honored as the chapter's "CPM of the Year" in 2000.

SECRETARY / TREASURER



Joseph J. Greenblatt, CPM, is the president of Sunrise Management, headquartered in San Diego, and responsible for overseeing the day-to-day operations of Sunrise Management's more than 8,500 resident units and 300 employees.

Greenblatt has been active in IREM San Diego Chapter No. 18, serving in numerous chapter leadership positions, including president. He has also been active in IREM at the national level, serving on the IREM national faculty and as chairman of the Ethics Hearing and Discipline committee.

Greenblatt was named the San Diego Chapter's "CPM Candidate of the Year" in 1992 and "CPM of the Year" in 1994, in addition to earning two national service awards, the IREM "Key Award" and the "Past President's Award."

RVP BIOGRAPHIES

REGION 1 VICE PRESIDENT



Robert E. Cuttle, CPM, of Richmond, R.I., serves as the 2012 and 2013 Regional Vice President for Region 1. During his two-year term, he has oversight for the activities of IREM chapters in Massachusetts, Connecticut, Maine, New Hampshire, Rhode Island and Vermont.

Cuttle is a regional property manager with The Simon Companies, in Braintree, Mass. With more than 20 years of industry experience, he is responsible for overseeing the operations of The Simon Companies' residential portfolio.

Cuttle earned his CPM designation in 2001, and has held numerous positions with IREM Greater Rhode Island Chapter No. 88, served as chapter president in 2009, and was honored as its "CPM of the Year" in 2010.

REGION 2 VICE PRESIDENT



Alfred O. Ojejinmi, CPM, FRICS, of East Brunswick, N.J., serves as the 2011 and 2012 Regional Vice President for Region 2. During his two-year term, he has oversight for the activities of IREM chapters in New Jersey, New York, Delaware and Pennsylvania.

Ojejinmi is the founder, president and chief executive officer of Presbeuo Group, Inc., and Presbeuo Real Estate Services, Inc., a full-service real estate management company headquartered in East Brunswick. He also is the founder and CEO of the Presbeuo Leadership Institute, a leadership consulting, business coaching and mentorship tutoring company. He has more than 22 years of diverse real estate experience, both nationally and internationally, in property management, facilities management, valuations, project management and feasibility and viability studies.

Ojejinmi earned his CPM designation in 2003 and is a Fellow of the Royal Institution of Chartered Surveyors (RICS). Active in IREM both locally and nationally, he has held leadership positions with IREM New Jersey Chapter No. 1, including president. He was recipient of the chapter's "CPM of the Year" award in 2010 and currently serves on its Executive Committee.

REGION 3 VICE PRESIDENT



Vera C. McPherson, CPM, ARM, of Williamsburg, Va., serves as the 2011 and 2012 Regional Vice President for Region 3. During her two-year term, she has oversight for the activities of the six IREM chapters in Virginia,

Maryland and the District of Columbia.

McPherson has more than 14 years of experience with Williamsburg, Va.-based W.H.H. Trice and Co., where she is currently director of its commercial portfolio. Her current responsibilities include overseeing the company's commercial portfolio of more than 400,000 square feet of office, retail, mixed-use and industrial space.

McPherson has long been active in IREM Virginia Tidewater Chapter No. 39, and has held several leadership roles with the chapter, including president of the chapter's Executive Council. She was honored with the chapter's "CPM Candidate of the Year" award, its "ARM of the Year" award, and is a two-time recipient of its "CPM of the Year" award.

Nationally, McPherson has served as chair of the IREM Diversity Advisory Board, and as a member of its Membership and Credentialing Committee and the IREM Governing Council.

REGION 4 VICE PRESIDENT



Betsy Bullard, CPM, RPA, director of asset services for CBRE in Atlanta and Alabama, is Vice President for Region 4. During her two-year term, she has oversight for the activities of the five IREM chapters in Florida and Georgia.

Bullard has also served as the asset services director of operations for CBRE's Southern region, where she was responsible for the transition of new management assignments, administration of the Environments for Excellence Program, new employee orientation and training, implementation of new business technologies and ensuring the CBRE Global Standards are adhered to for all Asset Services clients. CBRE recognized Bullard as Real Estate Manager of the Year in 2007 and Team Leader of the Year in 2010. She was president of IREM Georgia Chapter No. 67 in 2008.

REGION 5 VICE PRESIDENT



Chip Watts, CPM, CCIM, of Birmingham, Ala., serves as the 2011 and 2012 Regional Vice President for Region 5. During his two-year term, he has oversight for the activities of IREM chapters in Alabama, Arkansas, Louisiana

and Mississippi.

Watts is President, Qualifying Broker and Executive CPM for Birmingham, Ala.-based Watts Realty Co., Inc. and its subsidiaries. During his tenure with the firm, Watts earned his CCIM and CPM designations, and was honored with the Centennial Award from the Birmingham Regional Chamber of Commerce and the AMO accreditation on behalf of the company. In addition, Watts served as the 2009 President of the CCIM Institute's Alabama Chapter and as the 2008 President of IREM Alabama Chapter No. 43. He was honored by the Birmingham Association of REALTORS® with its "REALTOR of the Year" award. He is now secretary of that organization and director of his local and state real estate associations.

In addition to his current service with IREM as a Regional Vice President, Watts is chair of the IREM Chapter Leadership Forum, its AMO Task Force, and is a member of the IREM Governing Council.

REGION 6 VICE PRESIDENT



Mary (Kris) Moore, CPM, CCIM, of Indianapolis, serves as the 2011 and 2012 Regional Vice President for Region 6. During her two-year term, she has oversight for the activities of IREM chapters in Indiana, Kentucky, Michigan,

Ohio and West Virginia.

Moore's responsibilities at Cassidy Turley include overseeing a team of real estate managers and support staff responsible for approximately two million square feet of office assignments located in Indiana, Kentucky and Ohio. She is a three-time recipient of the Indianapolis Cassidy Turley "Property Manager of the Year" award and was honored with "CPM of the Year" in 2005. Prior to joining the firm, she spent 16 years as a Certified Public Accountant (CPA) specializing in both the private and public sectors of the commercial real estate industry.

In addition to the CPM designation, Moore holds the Commercial Investment Member (CCIM) designation, from CCIM, and has held numerous leadership positions in IREM Indianapolis Chapter No. 24, including president in 2007 and 2008. She is currently a member of the Membership Committee.

REGION 7 VICE PRESIDENT



Dawn Daffinee, CPM, of San Antonio, serves as the 2012 and 2013 Regional Vice President for Region 7. During her two-year term, she has oversight for the activities of the seven IREM chapters in Texas and Oklahoma.

Daffinee is a senior property manager with Travis Commercial Real Estate Services, AMO in San Antonio. With more than 23 years of industry experience, Daffinee oversees the medical properties for her firm, one of only 535 real estate management companies in the U.S. and Canada that has earned the prestigious ACCREDITED MANAGEMENT ORGANIZATION (AMO®) accreditation. In addition, she personally manages three medical office buildings for the firm.

Daffinee earned her CPM designation in 1995 and has been active in the organization ever since. She has held numerous positions with IREM San Antonio Chapter No. 48, including that of president, and was the recipient of the chapter's "CPM of the Year" award in 2008. She received the same award in 2005 from IREM Houston Chapter No. 28, with which she was then affiliated.

REGION 8 VICE PRESIDENT



Benjamin R. Forsyth, CPM, of Salt Lake City, Utah, serves as the 2011 and 2012 Regional Vice President for Region 8. During his two-year term, he has oversight for the activities of eight IREM chapters in Nevada, Utah, Colorado,

Arizona and New Mexico.

Forsyth is vice president of Westerra Realty and Management, in Salt Lake. His responsibilities include directing both the financial and daily operations of more than 1.5 million square feet of retail, office and industrial property throughout Utah. He has been active in IREM since 2004 and has served as president of IREM Utah Chapter No. 33. On the national level, Forsyth served on the IREM Student Outreach Committee and was a member of the 2010 IREM iCon advisory board.

REGION 9 VICE PRESIDENT



Marjean K. Pountain, CPM, president of Pountain Partners, LLC, in Elkhart Lake, Wis., serves as the 2012 and 2013 Regional Vice President for Region 9. During her two-year term, she has oversight for the activities of IREM chapters in Minnesota, Wisconsin and Illinois.

Pountain is a self-employed property management consultant providing services to property owners and management companies in the areas of staffing, training, marketing, strategic long-range planning and implementation. She also serves as an expert witness for legal and insurance professionals in matters associated with real estate and property management.

Pountain earned her CPM designation in 1991, and has been active in the organization ever since. She has held numerous positions with IREM Milwaukee Chapter No. 13, including that of president, and was honored as the chapter's "CPM of the Year" award in 2003. Nationally, she has served on several IREM committees and advisory boards and most recently was chairperson of the IREM Ethics and Discipline Committee. As well, she has been a member of the IREM Governing Council since 2004.

REGION 10 VICE PRESIDENT



David H. Davis, CPM, ARM, president of Blackthorne Real Estate Development Company, Inc., of Omaha, Neb., serves as the 2012 and 2013 Regional Vice President for Region 10. During his two-year term, he has

oversight for the activities of IREM Chapters in Iowa, Kansas, Nebraska, Missouri, North Dakota and South Dakota.

Davis earned his ARM certification and his CPM designation from IREM in 1996 and 2000, respectively, and has long been active in the organization. He has held numerous positions with IREM Nebraska Chapter No. 12, including that of president. Nationally, he began a three-year term in 2008 as a member of the IREM Diversity Advisory Board.

REGION 11 VICE PRESIDENT



Shannon E. Alter, CPM, of Santa Ana, Calif., serves as the 2011 and 2012 Regional Vice President for Region 11. During her two-year term, she has oversight for the activities of nine IREM chapters in California and Hawaii.

Alter is the principal of the Alter Consulting Group, Santa Ana, Calif. With over 25 years of experience, she is an expert in the management, operations and leasing of shopping centers and office buildings—both regionally and nationally—handling a 34,000,000-square foot portfolio.

Alter earned her CPM designation in 1990 and has taught courses both nationally and internationally. She now serves as a National Faculty Member for IREM and the American Management Association (AMA), and is a speaker for a wide variety of national associations, among them IREM, Building Owners and Managers Association (BOMA), International Council of Shopping Centers (ICSC) and International Facilities Management Association (IFMA). She has authored more than two dozen articles, as well as two books, *Strategies for Working with Small Tenants* (2009) and *Say it with Success* (2010). Her column, "Marketing Solutions," appears regularly in *JPM*®.

REGION 12 VICE PRESIDENT



Laura A. Cantrell, CPM, of Anchorage, Alaska, serves as the 2011 and 2012 Regional Vice President for Region 12. During her two-year term, she has oversight for the activities of IREM chapters in Alaska, Idaho, Montana,

Oregon, Washington and Wyoming.

Cantrell is a broker with Wiley Brooks Co., Inc., Anchorage, where she oversees the leasing, management, and day-to-day operations and maintenance of office, retail, warehouse, and office and medical condominium properties for a select group of clients. Her duties also

include project management and the oversight of tenant and capital improvements as well as monitoring real estate contracts and leases.

Cantrell has long been active in IREM Alaska Chapter No. 97, and served as chapter president from 2005 to 2007. The chapter honored her in 2005 and 2006 as its "CPM of the Year."

REGION 13 VICE PRESIDENT



Debra K. Owings, CPM, of Memphis, Tenn., serves as the 2011 and 2012 Regional Vice President for Region 13. During her two-year term, she has oversight for the activities of IREM chapters in North Carolina, South

Carolina and Tennessee.

Owings is president of Retail Management Services Co. in Memphis. She has more than 25 years of industry experience managing real estate and specializes in commercial asset management. She earned her CPM designation in 2004 and has held many leadership positions in IREM Memphis Chapter No. 20, including president. In 2007, she was honored with the chapter's "President's Award."

Owings has served on committees with the Memphis Area Association of REALTORS®, and is a member of the International Council of Shopping Centers (ICSC) and the Building Owners and Managers Association (BOMA).

REGION 14 VICE PRESIDENT



Sandra Lynn Caputo, CPM, of Winnipeg, Manitoba, Canada, serves as the 2011 and 2012 Regional Vice President for Region 14. During her two-year term, she has oversight for the activities of IREM's eight Canadian chapters.

Caputo has been employed by the City of Winnipeg for the last 24 years in the Planning Property and Development Department. She currently serves as a leasing officer in the real estate division, managing properties for civic accommodations.

In addition to earning her CPM designation in 2008, Caputo played a significant role in the formation of the IREM Council No. 114 in Winnipeg, serving as a past Chair of the Council. She has also served as a board member of the Real Estate Institute of Canada (REIC) and the Real Estate Institute of Manitoba for the last 15 years, holding the position of president with the Manitoba group on three separate occasions. ■

EMERGING TRENDS IN CHINA AND BRAZIL

Real estate market trends and their impact on property management in two of the BRIC countries—Brazil and China—were explored during the IREM International Business Practices Forum, which took place at the IREM Fall Leadership Conference last Fall, in San Diego. Sharing the podium were Leonardo Conde Villar Schneider, ARM, president of ASPA, SA, in Rio de Janeiro, and Qi Liu, CPM, president and head of asset management for Shanghai Land Group, Ltd., of Shanghai, and president of IREM China Shanghai Chapter No. 118.

RIO DE JANEIRO

EMERGING TRENDS IN CHINA

Liu reports that since the year 2,000, China's real estate market has been rapidly developing in all sectors—retail, commercial and residential—with a particular emphasis on residential development. However, that development has leveled due largely in part to micro-controls put in place by the government in an effort to stave off a real estate bubble, shifts in the lending environment

and a decrease in capital availability.

“One thing that is clear,” said Liu, “is the increased need for professional property management. We need more qualified managers in Shanghai and the rest of China than ever before,” Liu said that this should bode well for the growth of the property management profession, and specifically the CPM program in China.



QI LIU, CPM, (LIUQI@SHDCJT.COM) IS PRESIDENT AND HEAD OF ASSET MANAGEMENT FOR SHANGHAI LAND GROUP, LTD. IN SHANGHAI, AND PRESIDENT OF IREM CHINA SHANGHAI CHAPTER NO. 118.

Technology: It is critically important to keep abreast of the latest technology in building construction and operation, including eco-friendly buildings and high-tech buildings, particularly in the residential sector.

Finance: Understanding new developments in financing and how to access capital.

e-Commerce: With the boom in e-commerce activity within the real estate sector, property managers will focus on locking up “electronic business” clients in response to this shift.

Remain Competitive: Enhancing service capability in a shrinking market.

Shifting Market: Learning to adapt management to an operations-focused from a development-focused market.



SHANGHAI

This photo demonstrates the development of new affordable housing that is creating a totally new and challenging business arena for property management in Brazil.



EMERGING TRENDS IN BRAZIL

“This is a very favorable period of time for Brazil’s real estate market,” said Schneider. With a stable and balanced economy and trade, favorable legal framework, and the lowest unemployment rate in recent years, the Brazilian real estate market is booming. Overall, the country has been only modestly affected by the economic crisis of 2008. Additionally, the country is benefiting from heightened visibility brought about by two upcoming world events: the World Cup in 2014 and the Summer Olympics in 2016.

The most dramatic change being felt in Brazil’s real estate market is in the housing sector, according to Schneider. Brazil, with a population of 190 million, is experiencing a housing shortfall of 6.2 million housing units—nearly all in the affordable housing sector—as the

slum housing, known as *favelas*, is being eliminated. The development of this new affordable housing in the form of condominiums is creating a totally new and challenging business arena for property management.

“Most of the people moving into this [type of] housing have never lived in a condominium before,” said Schneider. “They don’t know how to follow the rules and conventions of condominium living. Much of our job as managers is to teach them how to live in a condominium.”

Another challenge of managing these properties is to provide quality service at a very low price.

“Management companies have to become very efficient if they are to manage this affordable housing successfully,” said Schneider. ■



LEONARDO CONDE VILLAR SCHNEIDER, ARM, (LEONARDO.SCHNEIDER@APSA.COM.BR) IS PRESIDENT OF APSA, SA IN RIO DE JANEIRO.

Increase services: In the past, condominium management was very simple—basically accounting and administrative services. Now we are moving more toward the U.S. model.

Sustainability: A significant move toward green certifications, sustainability initiatives, energy and water savings, and waste management.

Sophistication: Condominium clubs that provide a vast array of high-end services to residents and require more involved management.

Legislation impacting real estate operations is becoming more complex and more demanding.

Maximizing profits: Clients are focusing only on price, which is keeping management fees low.

Awards and Recognition

DAWN M. CARPENTER, CPM,



president of Dawning Real Estate, Inc., AMO, in Staten Island, N.Y., was honored as the 54th recipient of the 2011 REALTOR® of the Year award. The award recognizes outstanding service to the REALTOR® organization at the local, state and national levels, a strict adherence to the high principles of the National Association of REALTORS® Code of Ethics and a commitment to civic activity and business accomplishments. In addition to being active at the state and national levels of the National Association of REALTORS®, and being a board member of the Staten Island Center for Independent Living, among many volunteer organizations, Carpenter is an active CPM member of IREM.

JOHN MAGNUSON, CPM EMERITUS,



president of Magnuson Management Company, in Lakewood, Wash., was honored by IREM with the Lloyd D. Hanford Sr. Distinguished Faculty Award. The Hanford award is presented periodically to a member of the IREM faculty who has shown extraordinary dedication to the educational process and the advancement of knowledge in the real estate management profession. It commemorates the direct contributions of Lloyd D. Hanford, Sr., one of the Institute's early presidents and a founder of the IREM real estate management education program. Magnuson has more than 40 years of experience with investment property ownership and management and has taught real estate courses for numerous national and international organizations, in addition to IREM.

"John has taught IREM courses throughout the world for more than 20 years, is a frequent contributor to IREM publications and those of others," said IREM Foundation president, Robert Toothaker, CPM, citing Magnuson's legendary contributions to IREM and the real estate management industry overall.

"He has been a member of the National Advisory Board for more than 25 years. Through his continued dedication and passion for the industry, John constantly looks for ways to develop new techniques and strategies to make it better."

WPM REAL ESTATE GROUP, AMO,

headquartered in Owings Mills, M.D., swept the fifteenth annual Star Awards Ceremony for the Maryland Multi-Housing Association, with 17 awards from Stellar Community, Regional Manager, Leasing Consultant, Maintenance Awards and Certified Star Communities categories. The Star Awards acknowledges success and commitment in the apartment industry, giving recognition to apartment communities, service professionals and property managers for significant contributions to apartment marketing and maintenance through their achievements.

WPM Real Estate Group was formed in 2005 by two long-time property management industry leaders—Metro Property Management and Washington Place Management.

RPC MANAGEMENT CO., AMO,

headquartered in Princeton, N.J., has been awarded the "2011 ACCREDITED MANAGEMENT ORGANIZATION (AMO) of the Year" award, presented by IREM New Jersey Chapter No. 1, which recognizes "outstanding contribution to the advancement of real estate management."

RPC Management has been managing community associations since 1986, and apartment complexes and commercial properties since 1975. ■

Career Moves

HUGH COBB, CPM, and GRANT BERKEY, CPM,

have been promoted to chief operating officer and senior vice president of Capstone Real Estate Services, Inc., respectively.

As Chief Operating Officer, **Hugh Cobb, CPM**, is responsible for overseeing all facets of operations of Capstone's 33,000-unit portfolio of third-party fee management nationwide, which consists of conventional, affordable and senior independent communities. With more than 20 years of expertise in the multifamily industry, Cobb has held executive positions with

several notable companies, including serving on the Public Relations Advisory Board for IREM.

As Senior Vice President, **Grant Berkey, CPM**, will continue to be responsible for the management operations of Capstone's Eastern Division, which includes Austin and Central Texas, as well as Capstone's Commercial Division, the Homeowners Association Division, and Capstone Member Services, LLC. In addition, Berkey will assume oversight of Capstone's Affordable Housing Compliance Department. In addition to his CPM designation, Berkey is both a licensed Real Estate Broker and a Property and Casualty Agent. Berkey is a graduate of Texas Tech University and has held numerous positions within Capstone.

CONTRAVEST MANAGEMENT COMPANY, AMO, headquartered in Orlando, was recently awarded three property management assignments in Jacksonville, Crestview and St. Lucie West, Fla., increasing ContraVest's portfolio by 26 percent. ContraVest currently manages more than 5,000 units consisting of 17 properties in Florida, Georgia and the Carolinas, and employs more than 115 people in the field of property management. ■

AD INDEX

Advertiser	Website	Page
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JANUARY

MKL405	January 18-19	Indianapolis
ETH800	January 19	Golden Valley, Minn.
ASM603	January 23-24	Milwaukee
ASM604	January 25-26	Milwaukee
ASM605	January 27	Milwaukee
ETH800	January 27	Houston

COURSE CODES KEY

- ARMEXM // ARM Certification Exam
- ASM603 // Investment Real Estate Financing and Valuation – Part One
- ASM604 // Investment Real Estate Financing and Valuation – Part Two
- ASM605 // Investment Real Estate Financing and Valuation – Part Three
- BDM601 // Maximizing Profit: Growth Strategies for Real Estate Management Companies
- BDM602 // Property Management Plans: The IREM Model (international only)
- CPMEXM // CPM Certification Exam
- CPM001 // CPM Certification Exam Preparation Seminar
- ETH800 // Ethics for the Real Estate Manager
- EE800 // Real Estate Professional Ethics (international only)
- FIN402 // Investment Real Estate: Financial Tools
- HCPEXM // HCCP Exam
- HRS402 // Human Resource Essentials for Real Estate Managers
- LTC401 // Housing Credits: Compliance Challenges and Solutions
- MKL404 // Marketing and Leasing: Retail Properties
- MKL405 // Marketing and Leasing: Multifamily Properties
- MKL406 // Marketing and Leasing: Office Buildings
- MNT402 // Property Maintenance and Risk Management
- MPSAXM // Management Plan Skills Assessment
- RES201 // Successful Site Management

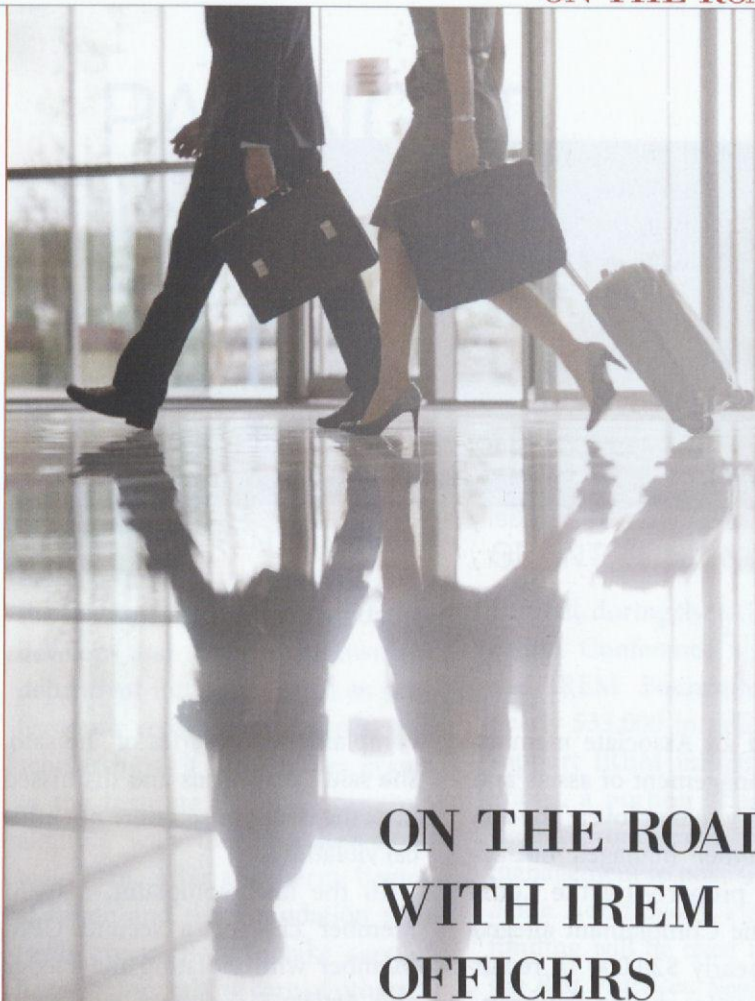
FEBRUARY

RES201	February 2-11	Los Angeles
RES201	February 6-11	Milwaukee
MPSAXM	February 6-10	Phoenix
FIN402	February 6-7	Austin, Texas
MKL405	February 9-10	Pittsburgh
FIN402	February 9-10	Kirkland, Wash.
ETH800	February 10	Stoneham, Mass.
CPM001	February 10	Phoenix
MNT402	February 13-14	St. Louis
RES201	February 15-24	Braintree, Mass.
FIN402	February 15-16	St. Louis
MNT402	February 15-16	Indianapolis
HRS402	February 15-16	Golden Valley, Minn.
RES201	February 16-25	Addison, Texas
RES201	February 20-25	Omaha, Neb.
RES201	February 20-25	Albuquerque, N.M.
ETH800	February 22	Atlantic City, N.J.
ETH800	February 23	Southfield, Mich.
ETH800	February 23	Los Angeles
FIN402	February 23-24	Salt Lake City
FIN402	February 23-24	San Antonio
FIN402	February 23-24	Jacksonville, Fla.
FIN402	February 23-24	Brentwood, Tenn.
ETH800	February 24	Kansas City, Mo.
MPSAXM	February 27-March 1	Memphis, Tenn.
ASM603	February 27-28	Jackson, Miss.
MNT402	February 27-28	Raleigh, N.C.
SRM001	February 29	New York
ASM604	February 29-March 1	Jackson, Miss.

INTERNATIONAL

BDM602	January 19-20	Moscow
MPSA	January 21-22	Moscow
MKL406	February 16-17	Moscow
HRS402	February 18-19	Moscow
ETH800	February 20	Moscow

FOR THE MOST UP-TO-DATE COURSE LISTINGS, PLEASE VISIT WWW.IREM.ORG/EDUCATION.



ON THE ROAD WITH IREM OFFICERS

PHOTOGRAPH © CLERKENWELL IMAGES

JANUARY 18

North Carolina Piedmont Chapter No. 56

Location: Greensboro, N.C.

Visiting Officer: Jim Evans, CPM, President

JANUARY 18

Greater Phoenix Chapter No. 47

Location: Phoenix, Ariz.

Visiting Officer: Elizabeth H. Machen, CPM,
President-Elect

JANUARY 19 and 20

Indianapolis Chapter No. 24

Location: Indianapolis

Visiting Officer: Joseph Greenblatt, CPM,
Secretary/Treasurer

FEBRUARY 16

Utah Chapter No. 33

Location: Salt Lake City

Visiting Officer: Jim Evans, CPM, President

For a more comprehensive calendar of chapter visits, go to www.irem.org/calendar.

IN MEMORIAM

ERWIN B. DRUCKER, CPM EMERITUS,

a longtime partner at the Newport News real estate firm, Drucker & Falk, and 1978 IREM past president, passed away on October 12, 2011. Drucker was a member of IREM since 1960. After earning his CPM designation, he became an instructor and worked to improve the curriculum, emphasizing profes-

sional ethics and standards.

By the time Erwin retired from Drucker & Falk, the firm had grown from a small local company to one of the top 50 management companies in the country, with more than 800 employees doing business throughout the mid-Atlantic and Southeast. Throughout his

career, he served on numerous business-oriented boards and committees, including the United Virginia Bank and the Peninsula Ports Authority, focusing on improving the business environment of the Peninsula.

Drucker was greatly respected by his peers and will be deeply missed. ■

ACTIVITY OF IREM ETHICS BOARDS

at the 2011 IREM Fall Leadership
Conference

THE FOLLOW-
ING TOOK
PLACE AT THE
IREM FALL
LEADERSHIP
CONFERENCE
THIS PAST
FALL, IN SAN
DIEGO.

THE ETHICS INQUIRY BOARD

reviewed one old complaint and three new complaints. Under old business, the Board reviewed charges of conflict of interest and mismanagement.

During the initial review, the Board was unable to ascertain whether a possible violation of the IREM Code of Professional Ethics might have occurred. As the burden of proof is on the Complainant to provide a clear and concise statement of facts which support and explain the specific violation(s) alleged, the Board wrote to the Complainant, saying the matter could be considered by the Board if the complaint were restated in a narrative fashion, tying the alleged misconduct to specific articles of the Code. After reviewing the materials provided by the Complainant, the Board voted to investigate further by asking the Respondent to provide information on the composition and duties of the condo association and relevant minutes.

Under new business, a complain-

ant charged an Associate member with mismanagement of assets and lack of loyalty to employer. The Associate member managed out-of-state rental property for the Complainant. The Complainant alleged she spent nearly \$20,000 in repair to her properties due to the property manager's lack of diligence. The Board voted to investigate and will ask the Complainant for a copy of

"THE COMPLAINANT ALLEGED [THE ASSOCIATE MEMBER] SPENT NEARLY \$20,000 IN REPAIR TO HER PROPERTIES DUE TO THE PROPERTY MANAGER'S LACK OF DILIGENCE."

the management agreement.

The second new complaint came from the tenant of an apartment building who stated an ARM Member revealed private information, including the Complainant's salary, to other tenants and prevented her access to a handicapped parking spot. The Board concluded the

complaint was a series of "he said, she said" allegations and dismissed it, as the issues raised were not ethical violations.

In the final complaint, a CPM Member charged a second CPM Member with violating the Pledge and Article 5, Relations with Other Members of the Profession. The Complainant alleged the CPM Member misled the owner of a building he managed into releasing proprietary financial information. The Board voted to forward the matter for hearing by the Ethics Hearing and Discipline Board.

The **Ethics Hearing and Discipline Board** did not meet. The CPM who was scheduled to appear informed the Board he intended to let his IREM membership terminate. The matter will be held in a pending status until the Respondent might reapply for membership.

The **Ethics Appeal Board** did not meet as no appeals were requested pursuant to hearings held in Washington, D.C. ■

PAYING IT FORWARD

BY KIMBERLY HOLMES



The IREM Foundation has a symbiotic relationship with the Institute: While the Foundation develops and supports its own independent initiatives, such as professional recognition awards and scholarships, it also makes grants to the Institute to fund objectives aligning with the Institute's Strategic Plan. After all, charity begins at home and the Foundation puts forth every effort to take care of home before taking care of others.

GRANT FUNDING

Last fall, during the IREM Fall Leadership Conference in San Diego, the IREM Foundation approved nearly \$33,000 in grant funding to support IREM initiatives and programs, a portion of which will be used to promote careers in property management to post secondary students. Additionally, a portion of the funding will be used to translating the *Best Practices: Real Estate Man-*

agement Services guide in multiple languages to benefit IREM international members.

REALTOR® UNIVERSITY

Although numerous scholarships and grants benefit the Institute, the Foundation's generosity stretches far and wide. For instance, the Foundation also approved a \$5,000 grant for REALTOR® University to provide scholarship funding towards a Master's degree in Real Estate degree. The grant is also being matched by the National Association of REALTORS®.

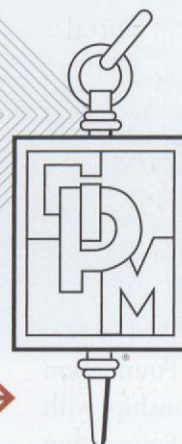
The Foundation has funded programs and projects where the grants have made a significant difference, and where the desired results are tangible and have a lasting impact on the lives of others in a positive way. ■

The Institute's core purpose is to advance the profession of real estate management while helping real estate managers prosper and add value to their companies and the properties they manage. The Foundation focuses on its commitment to attracting, developing and retaining individuals for careers in real estate management. Both organizations focus on the needs of IREM Members and the overall performance of the real estate management profession—a win-win for all parties involved.

KIMBERLY HOLMES
(KHOLMES@IREM.ORG) IS
MANAGER OF THE IREM
FOUNDATION IN CHICAGO.

TO LEARN MORE ABOUT THE
IREM FOUNDATION, VISIT
WWW.IREMFOUNDATION.ORG. ▶

CONGRATS TO THE NEW CPM DESIGNEES



CERTIFIED
PROPERTY
MANAGER®

NEW CPM DESIGNEES WITHIN NORTH AMERICA

Gregory M. Scharlemann, CPM;
Charlotte; Western North
Carolina Chapter No. 40

Jason Scott Adair, CPM, ARM;
Topeka, Kan.; Kansas City
Chapter No. 15

Anne M. Beard, CPM; McLean,
Va.; Northern Virginia
Chapter No. 77

Kali R. Carringer, CPM;
Meridian, Idaho; Idaho Snake
River Chapter No. 107

Cambria L. Darbison, CPM,
ARM; The Woodlands, Texas;
Houston Chapter No. 28

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CPM; Rocky Hill Conn.;
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Winnipeg, MB, Canada;
Manitoba Chapter No. 114

Larry Scott Ferguson, CPM;
Houston; Houston Chapter
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Pas, MB; Manitoba Chapter
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NEW CPM DESIGNEES OUTSIDE OF NORTH AMERICA

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Kanagawa, Japan; Japan
Chapter No. 110

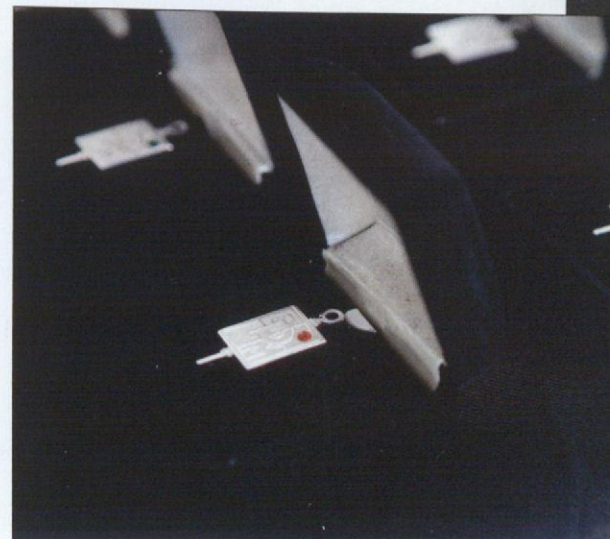
Alia Sapasheva, CPM; Moscow;
Russia Chapter No. 109

Mikhail Tourassov, CPM;
Moscow; Russia Chapter No.
109

Andrew Viktorovich Zayko,
CPM; Nizhny Novgorod,
Russia; Russia Chapter No.
109



THE CPM IS
MORE THAN
JUST A PIN.
SCAN THIS QR
CODE TO SEE
WHY!



QUICK QUIZ SCAN THE QR CODE FOR ANSWERS



1.

Establishing a firm base of communication begins:

- a. on the day a resident moves in.
- b. three months after the move-in date.
- c. three weeks after the move-in date.

The 2012 IREM President is:

- a. Nicholas A. Dunlap, CPM
- b. James A. Evans, CPM
- c. Vera C. McPherson, CPM, ARM

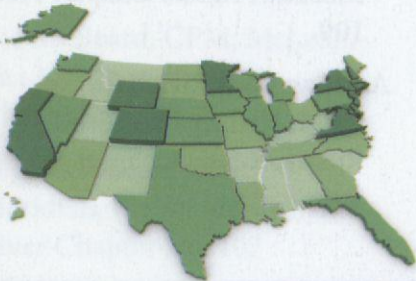
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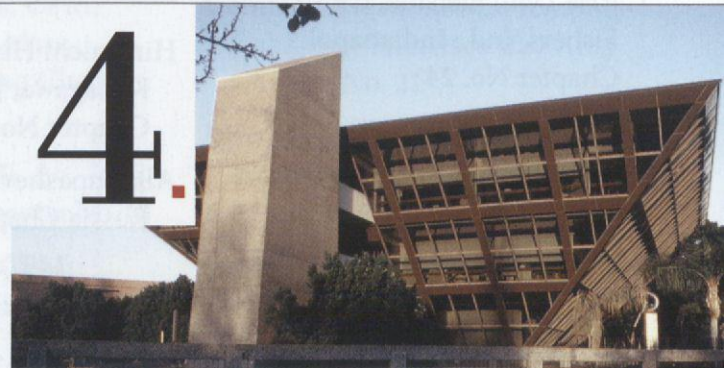
3.

The most expensive street in the U.S. (dollars per square foot) is:

- a. Sand Hill Rd., Menlo Park, Calif.
- b. University Ave., Silicon Valley, Calif.
- c. Pennsylvania Ave., Washington, D.C.



4.



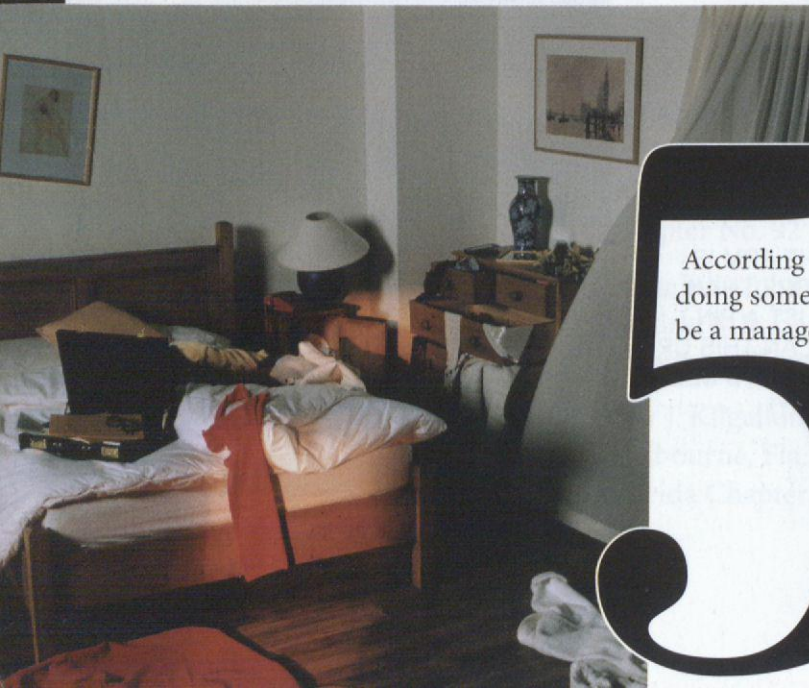
The Tempe Municipal Building is located in Sacramento, Calif.

TRUE OR FALSE?

According to Rebecca Noel, "Once you find out that a tenant is doing something criminal, immediately start _____. Don't be a manager who has blinders on and ignores the situation so long as the tenant is paying rent."

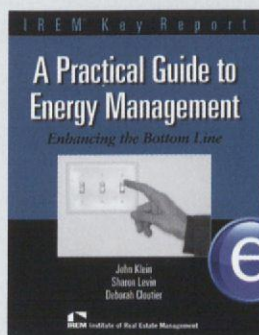
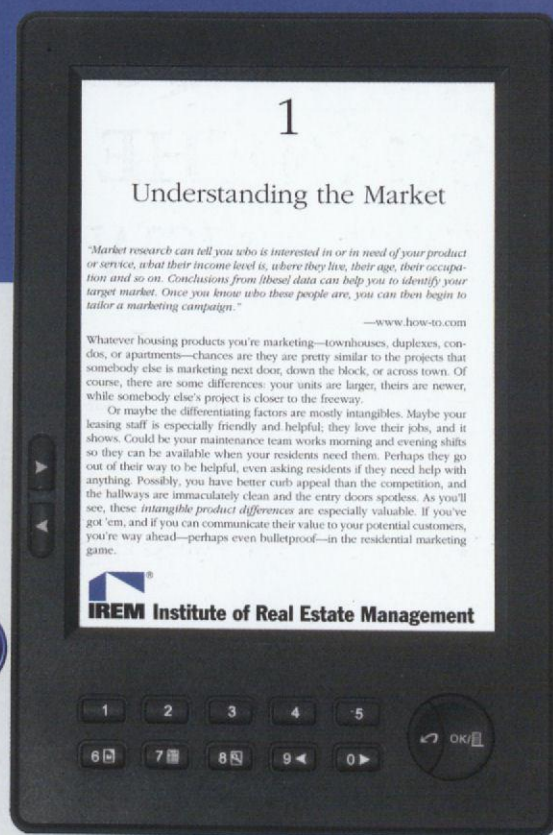
- a. eviction proceedings.
- b. calling him/her.
- c. knocking on his/her door.

5.

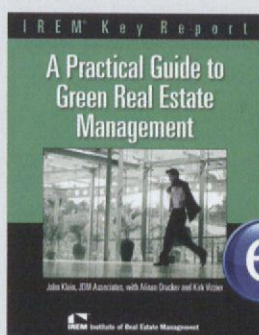


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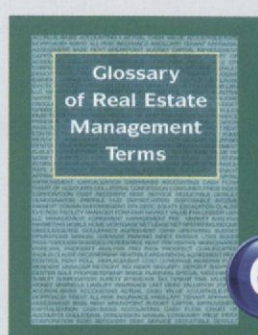
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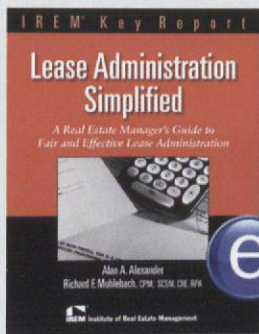
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Nonmember: **\$14.98**



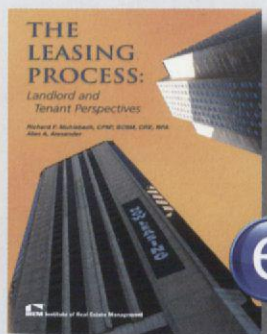
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Member: **\$19.98**
Nonmember: **\$24.98**



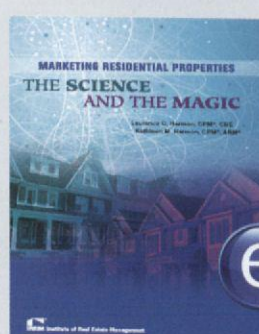
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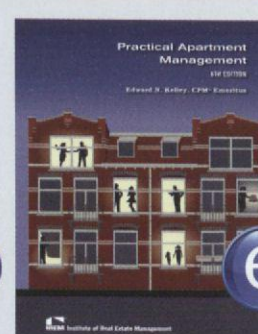
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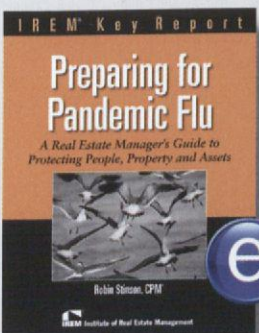
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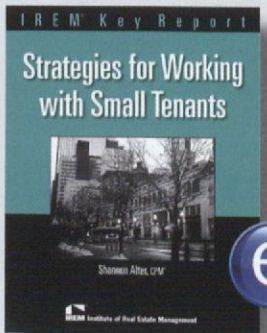
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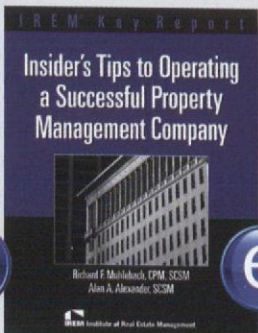
Member: **\$23.98**
Nonmember: **\$29.98**



Member: **\$10.38**
Nonmember: **\$12.48**



Member: **\$15.98**
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